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ABSTRACT

In the face of a decline in the number of proprietary business colleges in North Carolina, a study was conducted to identify projected business training demands for 1980-1985 in six regions within North Carolina: to identify the resultant curricular needs in the areas of marketing, retailing, business administration, accounting, and secretarial stenography: and to evaluate the capabilities of each of the 19 proprietary business colleges in the state to meet these training needs and to successfully compete with community colleges and technical institutes. The study involved: (1) a review of the literature concerning the history and characteristics of proprietary schools: (2) a survey of proprietary college presidents to determine their attitudes toward the future of private business education and to update catalog information on curricula, scheduling, and planning efforts: (3) a determination of future training demands through the projection model developed for North Carolina by Cruze: and (4) a comparison of these demands to the enrollment and graduate supply patterns established by proprietary colleges and competing two-year institutions. The study report summarizes findings, examines the competitive status of the proprietary colleges in each of the regions studied, and outlines summary recommendations. A bibliography and the questionnaire are appended. (JP)

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THE EVALUATION OF INSTITUTIONS AND ANALYSIS OF THE JOB TRAINING AND STUDENT MARKET, 1980-1985, FOR THE COMPETITIVE SURVIVAL OF THE NORTH CAROLINA BUSINESS SCHOOLS

By

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B.A., Southern Illinois University, 1963

M.A., Southern Illinois University, 1965

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Greensboro, North Carolina

A Dissertation Submitted in Partial Fulfillment
of The Requirements for the Degree of
Doctor of Philosophy

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Problem

The business schools of North Carolina have been declining numerically since 1967 at a rate which if continued will leave only a few in operation by 1990. This could mean the eventual extinction of the schools in North Carolina and the elimination of a unique educational alternative which is not likely to be duplicated by any other system or institutions.

Procedure

The researcher used two questionnaires to collect data from the 19 business schools on enrollment, graduates, characteristics, and attitudes. The researcher collected enrollment and graduate data on the community colleges at the Department of Community Colleges. By compiling the data from the two-year schools the researcher determined average enrollments and graduates. By comparing graduate output in the two sectors, the researcher identified the degree of competition between them in those curricula.

The reseacher utilized demand data from the model developed for the North Carolina community colleges. The researcher compared the demand data with the average graduate supply in the same demand areas for the six planning regions. The researcher identified surpluses or shortages of trained manpower in the six demand areas. The shortages indicated the areas which the business schools should emphasize in recruitment; the surplus areas are those needing less emphasis.

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Conclusion

1. The North Carolina business school executives possess a negative self-image.

2. They have not conducted long-range planning to improve their competitive capabilities. Ten of 19 schools have demonstrated qualities for survival in the 80s.

3. The State Association of Business Schools must act to enable the schools to compete effectively with the community colleges for survival.

4. The Association must provide the schools with encouragement and technical support necessary for the needed institutional, demand, and availability studies.

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CHAPTER ONE

INTRODUCTION

Statement of the Problem and Its Significance

The proprietary business schools of North Carolina have been in a state of decline over the past 10 years; in 1967 there were 46 separate proprietary business schools compared with 19 in 1977. These schools were operating in their prime immediately following World War II and in the 1950s before the incidence of the Community College System which started emerging in the 1960s in North Carolina. After that time the community colleges and technical institutes gradually offered more competition to the proprietary business schools as they developed their vocational and business curricula; by the late 1960s those proprietary business schools which had remained in the market were having to pay an ever-increasing price in recruiting expense for survival. Fewer schools were now controlling a smaller proportion of the market and at ever-increasing expense. The Veterans Education Program of the 1960s and early 1970s, according to Dickinson, provided large enrollments to some of those institutions which through the aggressive recruiting efforts of a student referral system, the appeal of minimum hours, and convenient scheduling could attract the Korean and Viet Nam Veterans and therefore compensate losses from the rising competition of the community colleges and technical institutes (57).

The shot-in-the-arm or sustaining power offered by the Veterans Education Program of the 1960s and 1970s, however, was to be only temporary. What then would become of the surviving proprietary business schools and would it make any difference in the educational system of North Carolina? Gilmore Johnson, Director of the Division of Veterans Education and State Coordinator for Proprietary Business, Trade, and Correspondence Schools for the State of North Carolina and Bernell Dickinson, the Associate Director for the same department, have repeatedly indicated to the researcher and to school proprietors that the proprietary school business in North Carolina is in a state of decline. They have both expressed concern for the future welfare of the proprietary business schools and also the sincere belief that this development is undesirable to the total educational system of North Carolina. Dickinson believed this trend is not irreversible and that certain steps should be taken to reverse it; if they are not, she has predicted that no more than three or four business schools of moderate size (400-500) will remain in the state by 1990 (57).

Most proprietors have been so involved in the day-to-day operations of their schools, completely consumed by the day-to-day crises and short-range management objectives, that long-range anticipatory concerns such as next year's high school market or shifting curricular needs for the next five years have gotten almost no attention at all. It is no wonder that the business schools have not assessed their institutional capabilities in response to the market of the next decade and therefore have not prepared themselves to compete most effectively with the Community College System, which, according to Johnston by law must regularly survey the market and project training requirements and curricular enrollments (113:1-2). A sophisticated model has been used to project training requirements throughout the entire system and has won acceptance among

State planners, according to Tollefson (220). Johnston has indicated that local assessment techniques utilized by the same individual schools in developing five-year plans vary in sophistication (112). There is lacking in the proprietary sector a sense of identity as an industry or system and also a realization of common problems and the need for long-range planning as a system. Individual schools have traditionally applauded the economic ills of or rejoiced at the bankruptcy of neighboring or competing schools, welcoming these failures as the loss or end to competition, when in fact they have unknowingly been celebrating the slow but certain withering away of their own enterprises. It is their internal perspective which has precluded the market projections and resultant budgetary, facility, and curricular adjustments which are necessary for survival.

Dickinson, in speaking before conferences and conventions of proprietary business schoolmen and through conducting workshops on various facets of proprietary business education and administration, has repeatedly called upon schoolmen to join together in developing a system of proprietary schools which although individually owned and managed could compete effectively as an organization with the public sector. It is her contention and also that of the researcher that the day of the individual school competing effectively, serving its own immediate ends, and surviving has come to an end (57). A system of schools could provide many advantages and certain services to each business school.

The Objectives of the Study

The objectives of the study were to: clearly identify the training requirement demands for 1980-1985, specific occupational areas such as

Management-Administration, Accounting-Bookkeeping, Secretarial, and Stenographic, in each of the multicounty planning regions of North Carolina in which at least one of the 19 business schools is located.

The objectives of the study were to: clearly identify the consequent (from above) curricular demands, 1980-1985, for such as Marketing-Retailing, Business Administration, Accounting, Legal and Medical Secretarial Stenographic, and Other Secretarial programs in each planning region of North Carolina in which at least one of the 19 business schools is located.

The objectives of the study were to: evaluate the capabilities of each proprietary business institution to meet these training demands and compete in the projected 1980-1985 market in North Carolina.

The Rationale and Theoretical Framework for the Problem Treatment and Solution

It is initially important to draw the distinction between what is a dilemma and what is a problem. A dilemma is a situation involving choice between equally unsatisfactory alternatives; a problem is an unsettled matter demanding a solution. Brubaker has shown that the possibility of a clear solution is the essence of the distinction between a dilemma and a problem (27:31). The researcher found the situation in the case of the present study to be the North Carolina business schools' problem of competition and survival; it is a situation which holds the possibility of a clear solution over time rather than a dilemma without a solution in which only reconcilation can be attempted.

The theoretical framework for the treatment of the problem was the systems approach. The stated problem was a systems problem and therefore required a systems approach as the salient framework (see definition of "system" under "Definition of Terms"). Some of the pertinent data used in assessing needs for the 1980-1985 period was the output of a complex mathematical system. The proprietary business school system has been studied as the sum of its integral subsystems, the individual schools.

The Questions to be Answered

A. Do the North Carolina business schools share a sense of identity as an industry with common problems and a common fate?

B. If the rate of decline which the North Carolina business schools experienced over the period, 1967-1977, continues, how many schools will likely remain in operation by 1987?

C. What percent of the business schools in North Carolina have conducted a regional or community demands survey over the five year period, 1971-1976?

D. Do the business schools of North Carolina possess a positive self-image as educational institutions and are they optimistic about their future role in the educational system of North Carolina?

E. Would the extinction of proprietary business schools in North Carolina eliminate a unique educational alternative traditionally open to students for business or vocational training and one that is not likely to be replaced by any other system or institutions?

F. Is the fate of every proprietary business school in North Carolina related to the fate of all other business schools in the State through the sharing of the same background, interests, markets, economic environment, and problems?

G. Would a cooperative business school system with specified services, demands, and obligations be perceived by the business school chief-executives in North Carolina as necessary for achieving countervailing power vis a vis the Community College System?

The Definition of Terms

Scheffler in The Language of Education identified three types of general definition: stipulative; descriptive; and programmatic (200:13-19). Stipulative definitions indicate how a term is to be understood in a particular way within the given text while descriptive definitions always give an account of prior usage; programmatic definitions decide serious practical or moral questions crucial to meaning in the text (200:13-19, 21-22, 35). All of the stipulative definitions used by the researcher are of the non-inventive type because prior usage of one form or another is the basis for them (200:13-14). The researcher has utilized the descriptive type where a synthesis of the prior usages of the term is necessary to provide the clearest understanding of its use within the context of the study. "Interinstitutional cooperation system" is a term which is necessarily defined in the descriptive manner. No term within the context of this study raised a moral question which would need to be decided in a programmatic definition (200:21-22, 35).

Proprietary school: This is a school privately owned and operated by an owner, partnership, or coroperation which may be profit oriented or nonprofit, according to Hyde (99:8). These include such numerous types as trade, technical, business, data processing, real estate, transportation, health, applied arts, general education, pilot, cooking, barber, beauty, and correspondence (99:124).

Proprietary business school: According to Balitsky and Hopkins this is a school which satisfies the proprietary requirements discussed above and which usually offers secretarial, business administration and accounting curricula with numerous courses in such areas as typing, shorthand, office procedures, correspondence, business mathematics, English, salesmanship, principles of management, oral communication, leadership, personality development, bookkeeping, accounting, economics, real estate, insurance, psychology, and other related subjects (15:3) (97:340). Clark and Sloan have outlined four major classifications for these schools: one-year schools offering short curricula of less than two years; two-year schools offering one or more curricula of two years; junior colleges offering comprehensive curricula of two years on the collegiate level and involving certain subjects in the general education or liberal arts area; and specialized schools offering one curriculum of business, usually of one year duration (34:36,50).

Community college: This is an institution, financed by taxes, locally controlled, offering terminal or preparatory training to meet the higher educational needs of a particular community through programs in remedial, occupational, pre-professional, and college transfer education. As described by the North Carolina Community College System Strategic Plan, they are positioned within the total public educational system of a state between the lower levels and the four-year colleges and universities and are typically open "to anyone of suitable age who can learn what they teach" and "whose needs can be met by the institutions within the System" (113:4-5).

Student referral system: This is a system whereby enrolled students are motivated by inducements such as tuition credit or cash payments to personally bring in or refer students to admissions representatives. Reward is usually greater when an enrolled student personally accompanies his referral.

Veterans education program: The Education and Rehabilitation Service of Veterans Benefits is responsible for the administration of education and training benefits (131:125). According to Levitan, financial assistance for education and training has historically been provided by the "G I Bills" and constitutes the largest single benefit for Veterans both in amount of money spent and in the number of Veterans using it (131:124). Although eligibility requirements have been tightened over the years, the concept of universal eligibility for Veterans with substantial active duty remains intact. To be eligible for educational benefits, a Veteran must have served at least 181 days' continuous active duty. Each eligible Veteran with more than 18 months active service is entitled to 36 months of full-time benefits, or the equivalent in part-time benefits. An additional extension of up to nine months may be granted to be used solely for the purpose of pursuing an undergraduate college degree. Eligibility ceases at the end of 10 years from the date of the Veteran's release from active duty, except that Veterans released between January 31, 1955 and June 1, 1966, had until May 31, 1976 to use their benefits (131:127, 128).

System: A concept which refers to a complex of interdependencies among components and processes and to the interdependency between such a complex and its environment. Parsons has defined a total system as consisting of all the elements, parameters, and relationships necessary to accomplish an objective. The objective of the total system defines the purpose for which all the elements, parameters, and relationships have been organized (176:35). The parameters or variables within the system are: input; process; output; and constraint. Each variable may take a variety of values to describe a system state (176:26). The relationships are the bonds which link the elements of the system and which also exist between the system itself and its subsystems and among various subsystems. These relationships are first order or second order, necessary or complementary, respectively (176:27). The constraints are the limitations or boundary conditions within which the system operates (176:35). Deductions about the behavior of the total system are possible based on the regularity in relationships among its elements.

Model: A model describes a system which is simpler, but not otherwise dissimilar to its counterpart system in the real world. It facilitates deductions about relationships among elements and processes within the real system, according to Gould. An understanding of the relationship between variation in parameters and their consequences within the total system provides the mechanism for projection (87:435).

Projection: This refers to the structure and direction of market demand while "prediction" refers to figures which are implicitly more accurate, according to Tollefson (220).

Linear regression or trend fitting: Sloan has defined this as a mathematical process for finding the average relationship between two variables (X, Y) over the same period. This relationship can be represented by a mathematically constructed line which is called the regression line; the equation of the line is the relationship in the form, "y=mx+b", where "m" is the line's slope and "b" the point where it intercepts the "y" axis. One variable value substituted in the equation determines the other (206: 387-388).

Extrapolation: Sloan has defined this as the process of using the regression relationship described above to project such variables as population or labor force in various industries many years in advance by extending the established regression relationship into the future. The projection process is based on the assumption that the relationship between the two variables will remain the same throughout the projection period (206:160).

Ratio-correlation projection: A mathematical procedure which uses ratios of population in certain groupings to the total population for the purpose of making projections at a future point in time, according to Cruze (46).

Occupational division: A classification of jobs into categories of similar job description, according to Cruze (46).

DOT classifications: Classifications of jobs contained in the Dictionary of Occupational Titles, published by the U.S. Department of Labor, according to Cruze (46).

Industry-occupational matrix: A matrix of the percentage of workers in various occupations employed within various industries, according to Cruze (46).

Manpower training demands: The need for training workers in various occupational groups to meet the employment needs of business and industry, according to Cruze (46).

Direction of market demand: Changes, upward or downward, in the structure of market demand, according to Cruze (46).

Disaggregate: To provide additional detail in total projections by breaking them down into occupational, industrial, or geographical components, according to Cruze (46).

Structure of market demand: The patterns of demand by consumers and industrial users for the products and services of various industry groups, according to Cruze (46).

Interinstitutional cooperation system: Martin defines this as an arrangement which facilitates cooperation among schools within a state by organizing them into a system. Cooperative services provided to the members include such activities as workshops for students, faculty, and administrators, joint use of instructors, shared use of computers, resource materials, and other equipment, and joint faculty efforts to develop special, experimental, and innovative programs. The arrangement can provide for a central office where pertinent data, records, and school catalogs and bulletins are filed. Data for use in long-range planning may be made available to member schools (146).

The Scope of the Study

The study involved the population of all of the 19 proprietary business schools of North Carolina. The history of proprietary schools of all types and especially that of the proprietary business schools provided background for the study. There exists only very limited treatment of the historical development of the business schools of North Carolina and that was provided in the studies by Dickinson (60)(62). To a very great extent the proprietary business schools are today what they are because of their tradition and origins; their past lends great insight into their present economic and managerial behavior. In fact, historical evidence is the only clue to understanding certain major characteristics of proprietary business schools.

Although the study necessarily looks to the past for greater understanding of proprietary business schools in the present, the focus is upon the period, 1980-1985, because the study is primarily concerned with the future market of the business schools of North Carolina and their institutional capabilities to compete effectively in the market, 1980-1985, and survive. The 1980-1985 period was selected as a period far enough advanced in time to allow completion of the research and preparation of the findings in time for use by the schools intended to benefit from them. Also the projection data which is the basis for the market evaluation is either not available or reliable for the period beyond 1985.

A variety of other variables have been discussed insofar as they are related or have bearing upon the major variable, the market for the business schools of North Carolina. Research pertaining to all phases of proprietary schools in general and in particular to proprietary business schools in many parts of the nation has been utilized as background information. The scope of the present research makes it valuable and instructive to educators, administrators, and owners of all forms of proprietary schools and to educators and administrators in the public schools.

CHAPTER TWO

REVIEW OF THE LITERATURE

Because the research study focuses upon the market for the proprietary business schools of North Carolina, the researcher has found it necessary and desirable to examine a variety of literature. The authors of the major studies of proprietary schools and proprietary business schools have attested to the scarcity of research, published and unpublished, completed or in process, in their field; each has pointed out the need for research data relating to every facet of the proprietary field. The researcher has found that not more than twenty researchers have produced single or multifaceted studies of an original or primary nature. Another fifty authors have written short single-faceted studies or articles summarizing, reviewing, or drawing upon the primary research of the major twenty; the majority of these are necessarily repetitive, citing the same primary authors to document basic statistics or insights.

The research that is relevant to proprietary schools and to the objective of the present study falls into six useful categories: The History and Nature of Proprietary Schools; Studies of the Nature and Characteristics of Proprietary Business Schools; The History and Nature of Proprietary Business Schools in North Carolina; Studies of Institutional Evaluation Relative to Market Demands; Studies of Models for the Projection of Training Requirements; and Studies of Interinstitutional Cooperation.

Studies of the History and Nature of Proprietary Schools

Decarlo and Robinson in research in 1966 traced the history of education in business from its earliest apprenticeship form documented in the Code of Hammurabi (2285-42 B.C.) and as evidenced in Egyptian works in the Christian era, the works of Plato and Aristotle, and documented applications in the Middle Ages (54). In contrast Reigner's 1945 research study located the "germinal seed" of business training in the invention of the double-entry bookkeeping system in Italy in 1494 from whence it flowed to England, Scotland, Ireland, and the continent. This was evidenced accordingly in the "Writing-Schools" of the 1700s (189:3). Reigner's study is the most comprehensive and interesting one of all those located and examined, tracing the historical development of the proprietary school and business school from its European seeds, across the ocean, to its implantment, growth, and maturation in the United States in the hands of important schoolmen in the 1940s and 1950s (189:3).

Another detailed study which developed United States proprietary school history from the 1640s through the 1700s with comprehensive detail on the 1800s is Clark and Sloan's study in 1966 (34). The authors pointed out that for a half century (1750-1800) the schools of the Middle and Southern colonies gave more attention to meeting the requirements of trade while only an occasional institution such as Franklin's Academy in Philadelphia was thus oriented (34:11). A less detailed and shorter study by Knowles in 1960, although largely parallel to Clark and Sloan's, offered some supplementary detail on early history (122). Clark and Sloan carried their history of proprietary schools which they term "speciality" schools up to 1963. Their study, representative of those of the 1960s on the nature of proprietary schools, has depicted and defended proprietary schools as fulfilling their traditional role "to bridge the gulf between men and jobs" while "only grudgingly receiving recognition from the academic world" (34:50). An excellent developmental history of the curricula of business schools was written by Goddard in 1972 (84).

A 1970 study by Hoyt, although unpublished and unavailable to the researcher, was reviewed by Johnson in 1974 in research which indicated that Hoyt followed 7000 public school students and 16,000 private school students into the job market to measure their success (106:5); however, he was able to secure only one-year follow-up data on slightly more than half of these, running into difficulty with the remainder because of the proprietors' reluctance to make public their students' records. Another unavailable research study discussed by Johnson in 1974 was done by the Oklahoma State University Research Foundation in 1969 and reported that the median annual starting salary of proprietary graduates was higher than that of public school graduates; of the 1264 proprietary students in the sample, 97 percent were placed in jobs and more than half of these in their field of training. The findings were considered questionable because the students' previous backgrounds were not taken into account (106:5).

One of the representative major studies of the nature of proprietary schools in general, published in the period, 1970-1976 was done by the American Institute for Research in the Behavioral Sciences in 1972 (5). In contrast to earlier studies which locate proprietary origins in the colonial period or earlier, this study traced the origins to the 1800s. The research is largely a comparative analysis of proprietary and non-proprietary schools in the four metropolitan areas of

Atlanta, Chicago, Rochester, and San Francisco and in four selected occupational areas. The study estimated 7000 proprietary schools serving 1.5 million students in 1966 compared to an estimated 1.4 million students enrolled in two-year public colleges (5:45). These same estimates for proprietary schools have been repeated in numerous other studies such as Belitsky's in 1969 (16:9). Estimates of the number of proprietary schools and their students have varied greatly over the years: Clark and Sloan in 1966 -- more than 35,000 schools enrolling more than 5 million students (34:1-10); *Time* in 1972 -- 9000 schools enrolling about one million students (129:38); Marland in 1974 -- 9000 schools enrolling up to 3 million students with only 1300 of the schools accredited (144:57); and Wilms in 1974 -- 10,000 schools enrolling over 3 million students (124:2). Estimates of annual gross revenue earned by the schools have varied accordingly: *Time* in 1972 -- $2 billion (129:38); Marland in 1974 -- $1.5 billion (144:57); and Wilms in 1974 $2.5 billion (244:2).

The American Institute for Research study in 1972 delineated the reasons for students attending proprietary schools and constructed a profile of proprietary education (5). It found proprietary and non-proprietary schools to be similar with respect to staff, faculty, equipment, frequency of curricula change, teaching technique, and production of graduates with marketable skills (5:46). The authors found it unlikely that in light of their history proprietary schools would in the future carry an increasing proportion of vocational training or demonstrate major innovations to revolutionize post-secondaary education (5:47). This study, although not critical of proprietary education, does not in contrast to practically all other major research examined, attribute great strengths and advantages to proprietary schools in comparison with public schools. The findings of the research were based on a survey in the four major cities previously mentioned of 3340 students at 51 proprietary schools and 3610 students at 14 public schools who were enrolled in office, computer, health, or technical skills programs. A study by Mayhew in 1974 incorporated the same research discussed above (151).

Contradictory to the other research and findings reviewed by the researcher including those of the American Institute for Research study were those contained in two reports by Wilms in 1974 (214)(242). Research was designed to test the effectiveness of 21 public and 29 proprietary schools in four large metropolitan areas by following 2270 graduates from six large and fast-growing occupational programs into the labor market to assess their success (242). Wilms found that graduates from both schools had about the same occupational success and that the proprietary school graduates were generally less satisfied. Proprietary students tend to come from lower socio-economic and ethnic minority backgrounds with inferior verbal skills (241:2). The American Institute for Research study in 1972, already discussed, reported that students from ethnic minorities were more likely to attend non-proprietary schools because of cost (5). Also in contrast, Belitsky in 1969 had reported that proprietary students were more highly educated than their public counterparts (16). The Health, Education, and Welfare Department study in 1970, reviewed by Johnson in 1974 also concluded that proprietary students tended to have higher socio-economic status, more previous education, and greater motivation (106:6). Wilms did not find significant difference in achievement motivation between the two sets of students. The least advantaged chose proprietary schools, according to Wilms, because they saw the community college as an extension of the academic middle-class system to which they could not relate (241:2).

Critical of school administrators trained only in finance, cost accounting, public relations, and other management science subjects is Callahan's work of 1962 (31). The study traced the influence of management science in education with emphasis on its production of administrators who are more concerned with efficiency than quality. Callahan pointed out that the problem of businessmen obsessed with economics in education was persistent and detrimental to education in the 1960s (31:200-250). His attack was aimed at both public and private administrators.

Focusing on rising costs, declining enrollments, and the need for critical re-examination of curricular offerings and cost distribution in proprietary schools are research studies by Meeth in 1974, Servelle in 1974, Shulman in 1974, and Smith in 1975, (154) (202) (204) (208).

Lending support to the findings of earlier and later research on the nature, uniqueness, and educational value of two-year proprietary schools is Mac Kay's work in 1968 based partially on responses to a survey questionnaire; it includes history and a wealth of descriptive material (135). In striking contrast to Mac Kay's and others' positive, optimistic assessments of proprietary schools and their future is the concise, and by far most powerful attack by Garrison in 1969 which struck at the heart of their weaknesses. Dispassionately and candidly written, Garrison's treatment displayed a working intimacy with the realities of operation in the two-year proprietary colleges. Although not totally negative in tone, it is a discouraging note on the future of proprietary schools (82). Garrison has predicted that of the 264 two-year colleges then in existence (1969) there would be no more than 60 or or 70 still in existence in 1980 (82:35). In reply to Garrison's article in the same issue is one by Myers who asserted that "all higher education is threatened by the same inadequacies which we read are prevalent in the private institutions" (164:39). He argued that the feeling of dichotomy about public and proprietary schools is dangerously shortsighted (164:39). Further development of flexible Associate degree programs, either transfer or terminal, was recommended by Myers for making public and proprietary junior colleges even more attractive (164:41).

Representative of the attitude of some states, documented in official speeches or articles, is Nyquist's speech in 1970 to the Annual Meeting of the Private Vocational Schools Association of New York in which he asserts that New York wants not to put the private school sector out of business but rather to consider its role in the total system in participating in providing trained manpower for the State (172). In the same spirit Cummins in 1975 issued a call to independent schools to throw off their "self-imposed insularity and exclusiveness" and join the interdependent community of schools (48:65).

Studies of the Nature and characteristics of Proprietary Business Schools

A limited number of works focus more particularly upon one among the proprietary forms, the business school, upon which this research has concentrated. The literature which was selected for discussion in this section overlaps somewhat with that of the previous section, but provides information and insight largely restricted to one form, the business school. "The independent business schools have a narrowly defined purpose", specializing in post-high school education and training for a wide variety of office occupations (232:107). Venn in 1964 found that the large business schools, especially, functioned well within their narrowly defined role and that there are more good schools in the field than is generally appreciated. He also pointed out that there is too little dialogue among business, business schools, and the mainstream of education (232:107). Similar to Venn's work in defining the nature of business schools in the 1960s is Douglas's research in 1963 which recognized the great strides made by large numbers of business schools in the maintenance of high quality education (64:38).

The major and comprehensive research studies of proprietary business schools per se are those of Belitsky in 1969 and 1970, Atwater et al. in 1972, and Hyde in 1976 (15) (16) (10) (97). Belitsky's study of 1969 was based on responses to a mail questionnaire by 1200 schools and upon information provided by the United Business Schools Association (15:3). Johnson in 1974 ranked Belitsky's research as the most exhaustive and definitive study on business schools to date (1974) and most often the basis or "jump-off" place for later researchers (106:4). Belitsky's second work in 1970 is descriptive with statistics in detail on the nature and characteristics of proprietary business schools; it is also evaluative in a positive sense (16); this shorter paper was based on the earlier work (15:3).

Highly favorable to proprietary business schools is the research of Atwater el al. in 1972 which was based on an interview survey of students, faculty, and administrators in more than 20 accredited proprietary schools and two community colleges; only well-established schools with excellent reputations were selected for the sample. The purpose of the study was to examine the operations of schools which compete successfully with community colleges despite a large tuition differential (10:2). Most of the schools in the sample provided business training. The authors acknowledged the use of data from other studies, 1963-1970, and that their study was not definitive (10:3). Within the context of their study the authors presented overwhelming evidence for the cost-effectiveness of business schools in contrast to community colleges; community college total costs are higher and their placement record inferior (10:8). The authors considered the placement record to be an essential indicator of a school's quality (10:28). Accordingly they found proprietary administrators do not look upon the community college as a long-range threat but see the job market as their strongest competitor (10:8). The researcher believes that the ratio, 10:1, of business schools to community colleges in the sample and the fact that it comprised only the best of each group are serious weaknesses in the research, thus limiting its implications and usefulness.

The most current study examined by the researcher is Hyde's survey in 1976 of proprietary business schools among other proprietary institutions in the Chicago metropolitan area. Hyde presented a wealth of statistical data on the financial aspects of the operation of these schools; the focus of the study was upon the proprietary school as a business firm in the selling of training opportunities. The objective was to treat proprietary schools as an industry and to analyze the individual school as an economic entity (99:3). Similar in its intent to Meeth's study in 1974 of 75 proprietary two-year colleges, the study, however, went beyond this to a quantitative analysis of the competitive relationship between business schools and community colleges;

findings indicated that a likely cause for the failure of so many established business schools was the expansion of other institutions providing similar training, the community colleges (99:117-119). Students who see offerings as identical in both sectors will switch to the community college, according to Hyde; also some students will give up their first choice for second just because of tuition savings although they prefer the proprietary school (99:130). A study by Servelle in 1974, previously discussed under Section I of this chapter, also indicated that the enrollment relationship between schools in the two sectors is a function of tuitions charged (202).

Hyde found some evidence which indicated that proprietary schools often provide the same quality of service for much less than do community colleges (99:131). In the interest of diversification and efficiency in the total educational system, Hyde believes that proprietary business schools, along with the other proprietary schools, need to survive as an important component (99:135).

A study supportive of other research is one by Miller in 1964, which is purely descriptive and which dealt exclusively with business schools. The research contains a detailed report on curricular offerings in the business schools. Miller, a strong advocate of business schools, has taken the position that the market place provides more demanding regulation of business schools than any governmental agency (156). A well-written treatment of the nature and characteristics of the business school which is supportive of other studies is contained in an article by Hopkins in 1960 (97).

Studies of the History and Nature of Proprietary Business Schools in North Carolina

Research in this narrow category or that peripherally related to it is very limited. In seeking an understanding of early proprietary history in North Carolina, the researcher examined a number of works on the general history or educational history of the state including Raper's of 1898, Coon's of 1915, Wheeler's of 1964, and Williamson's of 1973 (187) (39) (237) (240). Except for Coon's none of these or any of the other sixteen works examined offered any discussion or mention of business schools (39). Raper's history, however, is an interesting and insightful commentary on the philosophy and attitudes which influenced the development of non-public education in North Carolina. Raper argued that "one does not at all understand and appreciate North Carolina history until he has gone to the depths of the church and private institutions of learning" where "often peculiar and characteristic ideas in politics and society are found" and "are due to some teacher or school" (187:7). The absence of mention of "Writing-Schools", "Commercial Colleges", or other proprietary forms in what are considered the classical works on North Carolina history is significant; examination of the indices of five major works by Lefler, considered to be the major authority on North Carolina history, revealed no mention of business or proprietary schools. Only the lengthy volume by Coon provided considerable insight into the development of business schools but then only before 1840 (39).

In light of the virtual absence of any mention of business schools in the major historical works on North Carolina it is interesting to note that Clark and Sloan in 1966 claimed that the schools of the Middle and Southern colonies gave more attention to the requirements of trade than did their Northern counterparts (34:11); if indeed they did, then the historians of North Carolina have either been oblivious to their role in the educational system or have chosen for some reason to ignore them completely.

The studies conducted by Dickinson in 1974 and 1975 represent the singular recent effort within North Carolina to investigate the history or nature of the business schools. Concise and non-exhaustive, the research focuses on the economic and competitive behavior of the schools, identifying patterns in an analysis of enrollment data, business failure, and owner turnover. Dickinson has looked at the recent history of the business schools of North Carolina to explain their current nature and behavior and to find clues to their future (60) (62).

In what the researcher considers an exhaustive search of State publications or documents pertaining to private and proprietary education, it has been only with great difficulty that any mention or trace of data pertinent to the business schools was found; it was always vague as to what extent proprietary school data was contained in the private school data. State Department data on proprietary business schools is not published nor is it available in any form to researchers. Reports, speeches, and other documents refer to "private education" and "private institutions", attesting to their tremendous contributions, unique role, and the public desire that they remain an integral part of the total system of North Carolina education (169:1-4). In contrast to specific references to the increasing importance and contributions of the business schools in the reports and documents of a number of other states such as New York and Montana is the absence of the same in North Carolina literature (173) (157).

Newspaper recognition of the business schools of North Carolina has occurred only in the wake of a controversy or investigation (73:1-20); their treatment in the newspapers has therefore been largely negative, even in the light of what Dickinson claims is the business schools' good record of compliance with Federal and State regulatory policy in comparison with business schools in many other states (57).

Although the researcher located some dissertation research which dealt with private two-year colleges in North Carolina, such as Perry's comparative study in 1971 of faculty in two-year private and community colleges, none offered anything which could be isolated as pertaining to the business schools (181). One study by Woolard in 1973 did examine student perception of the importance of occupational relevancy in adult education programs in North Carolina and South Carolina; the findings suggested that students in the sample sought occupational relevancy in their programs (248).

Studies of Institutional Evaluation Relative to Market Demands

Relating admissions policy to the measurement of student market in private institutions is the focus of a dissertation research study by Druesne in 1974. A model was developed on the basis of standard research procedures and was tested by comparing its estimates of student market with actual data from the College Entrance Examination Board's Student Search Service; the model measures the market, based on the selection criteria chosen by an institution and the distribution of these students. The model was reviewed and evaluated by two private institutions; it was found to be viable with estimates within approximately plus or minus 10 percent of the true market size. The study provided a technique for locating the student market defined by a given admissions policy and for determining how well that market was being recruited (66). The researcher found the study of some value and use in the market assessment and institutional evaluation of the business schools of North Carolina.

Providing discussion of the response of vocational education to increased market demands and an analysis of the institutional planning process from occupational requirements and market demand to actual program offerings is Braden and Krishan's work in 1975. The study is supportive of other research in its evaluation of the nature and characteristics of the proprietary vocational schools (25:11). Estimates of the numerical size of the industry and its impact on the total system are also supportive of other research (25:10).

A dissertation study by Carlson in 1971 is closer in its focus, objectives, and hypotheses to those of the present study by the researcher than any other research examined. Carlson asserted that the curricula of private junior colleges can be adjusted to give them the best chance of survival. Among curricular functions which he established as legitimate are concentration on a career preparation program or a liberal arts studies program; Carlson concluded finally that the private junior college is potentially capable of offering a functional, comprehensive curriculum (32).

Studies of Models for the Projection of Training Requirements

The only really comprehensive review of procedures for projecting labor demand was provided by Kidder in 1972 who attempted to measure the value of a variety of projection techniques against the requirements of forecasting models in general and against the requirements of vocational educational forecasting models in particular (117:10). Other model research such as Maner's 1975, recognized this study as the most comprehensive review of models in existence (143). Not only valuable as a comparative analysis of techniques, it serves as a catalog of models from which the researcher can go to locate whichever primary studies he wishes to examine more closely for possible use.

Offering reviews of various employer survey techniques are studies by Josephson in 1972, Fiebiger in 1973, and Maner in 1975 (114) (75) (143). Josephson's study evaluated techniques for matching programs to needs by region (114). The Catawba Valley Institute in North Caolina conducted a skills survey in 1968 of the impact area which included six counties; recommendations as a result of the survey called for 15 new one-year programs and provided evidence to justify expansion of facilities and faculty (214). Similar to the Catawba survey were those by Jarrell and Hleba in 1965 and 1969, and by the Wisconsin Department of Industry, Labor, and Human Relations in 1970 (103) (244). Representative of research which discussed the nature of manpower demand, consequent training requirment projections, and the effect of economic and social trends upon these are studies by Edgel in 1968 and Venn in 1970, (60) (231). Focusing on the relationship and need for communication among education, business, and industry are typical studies such as the one by Burt in 1967 (29).

Studies of Interinstitutional Cooperation

Outstanding treatment of the possibilities of cooperation among private junior colleges is the research by Martorana el al. in 1974. The study is unique in providing encouraging examples of cooperation among two-year colleges within the private sector. The research insightfully examined the problems of private junior colleges, determining their need for change and assessing their resourcefulness and inclination for it (148).

Revealing of administrators' attitudes in general toward interinstitutional cooperation is a dissertation study by Martin in 1975 which surveyed administrators in community colleges, private colleges, and universities in California; results indicated no serious concern about cooperation nor strong drive to increase it. In spite of the prevalent attitude the administrators responded in identifying specific needs which they thought could be served by increased cooperation (146); among these were needs similar to those recommended in the Martorana case studies such as workshops for students, faculty, and administrators, joint use of scholars, professors, and consultants, shared use of computers, resource materials, and other equipment, and joint faculty efforts to develop special, experimental, and innovative programs (146).

Studies concerning philosophy, attitudes, techniques, real cases, critical assessment, and prospects in interinstitutional cooperation are found in Martorana et al. in 1961, Donovan in 1965, Stewart in 1966, Davis in 1967, Patterson in 1970, Wood in 1971, and Kreplin in 1973 (147) (63) (213) (52) (180) (247) (125); similar pieces, author not given, include "Consortia in Higher Education" in 1967, "New Patterns of Institutional Cooperation" in 1968, and "The Potential of Consortia" in 1971 (38) (168) (182).

The State of the Research

Proprietary schools were not examined by educational policy makers until recently according to researchers such as Wilms (242:1-2). More in-depth research on proprietary schools has been produced between 1970 and 1976 than during the entire period between 1940 and 1970. Apparently such developments as the community colleges, increased Veterans benefits and consequent participation in education, and the rise of adult education have prompted closer examination. Before the development of the community colleges, the proprietary business schools stood alone in their offerings of occupational education; the rapid rise of the community colleges and technical institutes in the 1950s and 1960s has provided a competitive basis for comparison. The need for knowledge and data has so far prompted only a few comprehensive research efforts, and these have concentrated largely in their samples upon proprietary and business schools in metropolitan areas; the non-metropolitan schools have so far been neglected.

Almost every researcher in the field has pointed out the need and called for in-depth research into every facet of the proprietary field. Hyde in 1976 has indicated that most studies to date (1977) can be classified as descriptive or historical studies of individual schools and their students in relation to those of their counterpart in the public sector (99:3). The researcher, undertaking the present study of business schools in North Carolina, has found the greatest number of studies deal with the nature and characteristics of the proprietary school in general; each new study in this area has tended to be supportive of the previous ones, adding a minimum of new data and insight. It is therefore apparent to the researcher that there is little need for further repetitive studies into the nature and characteristics of proprietary schools in general; one is provided a good background in the general proprietary field through reading one or two major studies such as Belitsky in 1969 or Hyde in 1976 (16) (99).

The research on the proprietary sector is generally highly favorable toward the schools and optimistic about their prospects; there is little detail on their reputed abuses or documentation of such. There has been little research into this problem, or for that matter into the weaknesses of proprietary schools. Garrison's article stands alone (82). Those researchers who initiate studies seem to be favorably disposed toward the schools from the outset. They, however, are accurate in claiming that the sector has been ignored by educators and the public until recently. The researcher believes that especially those who have written with an intimate knowledge of proprietary schools, although prejudiced in their favor, have accurately portrayed their strengths and advantages.

What is lacking in the general proprietary field are sufficient research studies concerning the financial characteristics and behavior of the schools. Hyde's study in 1976 and Meeth's much shorter study in 1974 provide the only substantial economic analysis or suggestion of its great importance for further study (99) (154). Also lacking are studies of market definition or potential for proprietary schools on the national, state, regional, or community level. Studies of techniques appropriate for projecting manpower training requirements and case studies of their use exist only for the public sector. The researcher found only one study by Druesne in 1974 which attempted to measure the student market for private institutions (66). The Druesne research and one other by Carlson in 1971 were the only in-depth studies found which examined institutional capabilities to make needed curricular shifts and revisions in response to the changing market (66) (32).

Studies of the techniques for institutional evaluation and long-range planning and case studies of the same have been lacking in the proprietary sector.

To narrow the focus within the proprietary field to the business school is to find few works which treat the business school in any detail as a separate proprietary form; the researcher found only three studies, Reigner in 1945, Miller in 1964, and Atwater et al. in 1972, which deal exclusively with the history or nature of the business school (189) (156) (10). Other studies such as Clark and Sloan (1966), Belitsky (1969), and Hyde (1976), although not dealing exclusively with the business school, provide in many instances more detailed data on the schools and greater insight into their operations than the aforementioned studies (34) (16) (99). The areas which were found lacking in the business school field are: financial and economic analysis; market potential and projection on each level; institutional evaluation in terms of the market; long-range planning; and case studies of the above in individual schools.

The researcher did not locate any published or unpublished historical studies of business schools in other states similar to those unpublished by Dickinson in 1974 and 1975 in North Carolina (60) (62). Dickinson who is in contact with business school officials in other states had no knowledge of such studies in existence or in progress, although the need exists in each and every state for this kind of research (59). Research similar to Dickinson's is a necessary preliminary step to more comprehensive studies of a state's business schools such as market studies and institutional evaluations similar to the one undertaken by this researcher. To the best knowledge of the researcher no similar market and institutional evaluation has been completed or is in progress in any other part of the nation. Demanding as much attention as the absence among the states of such needed research on business schools is the general absence of recognition of the contribution or even the existence of business schools in the official state and historical literature of the states.

Finally there has been little research into the possibilities of interinstitutional cooperation among proprietary institutions or more particularly among business schools. The researcher located one such study by Martorana et al. in 1974 (148).

CHAPTER THREE

METHODOLOGY

A number of different methods have been utilized in the course of conducting this research study. The major ones among these are: Historical; Comparative Analysis; Projection Model Data; and Survey Questionnaire.

Historical

The researcher has taken the position similar to that developed by the twentieth-century British philosopher, Robin G. Collinwood, and further refined by the American philosopher, James A. Diefenbeck, that history is the essence of all of our present knowledge of the world. Knowledge of science as well as of all other branches such as art, religion, and education to mention only a few can best be studied and applied in terms of its historical development. Each of these branches has developed in man's search for a means, like a mirror, to reveal his own image and nature (83:1-10). It is with this understanding that the researcher has looked to the historical development of proprietary schools for an explanation of much of their present behavior.

Comparative Analysis

The systems approach which was selected as the salient framework for the research has provided the _a priori_ concept and theory which makes the comparative method more rigorous than it would otherwise be. The systems approach provides a structural-functional orientation for the one-to-one comparison and contrast of corresponding inputs, processes, parameters, outputs, and constraints within various systems whether they be projection models, individual schools, or competitive systems.

After examining the factors determining the market, 1980-1985, for each proprietary business school, the comparative-contrast method, although not explicit in each case, was crucial in evaluating each institution in light of its projected potential market.

Projection Model Data

The researcher made use of output data from the projection model developed by Cruze in 1970 and refined by Johnston and Jolley in 1975 and utilized for projecting manpower training requirements in North Carolina for the Community College System (45) (113). Johnston and Jolley's "fine-tuning" of the 1970 model modified it only slightly (109).

The North Carolina Model

As demonstrated in the Cruze-Johnston model diagram found in Appendix, (A-1)-(A-2), population projections which were prepared by the North Carolina Office of State Planning were used together with independent projections of labor-force participation rates by age, race, and sex to project the total labor force in 1985. By assuming a trend of 3.5 percent in the unemployment rate and using the 1.10 ratio in 1970 between employment defined on an Employment Security Commission basis and employment defined on a census basis, which excludes seasonal employment and multiple-job holding, the total number of jobs was projected from the total labor force projections. The jobs concept was applied because training is typically related to individual jobs; a multiple-job holder could receive training in more than one area (113:A-2).

The population projection program maintained by the North Carolina Office of State Planning has the capability of projecting population by sex, race, and five-year age cohorts for an indefinite period into the future by using the ratio-correlation method of projection; these projections are based on trends over the 1960-1970 census periods. Labor-force participation-rate projections were independently developed by observing age-, race-, and sex-specific trends in labor-force participation rate relatives between North Carolina and the United States over the 1960-1970 period and by extrapolating these through 1985, according to Johnston (113:A-2).

Since population projections and labor-force participation rates were derived independently, a consistency check was made by regressing the net migration rates against the rates of employment gain for North Carolina counties over the 1950-1960 period and again over the 1960-1970 period, according to Johnston. Parameter estimates from both periods were highly similar; these estimates were used to make adjustments in both the projections of employment and labor-force participation through 1985. The net effect of these migration adjustments raised the rate of labor-force participation, total population, and total employment (113:A-4).

The distribution of the job total by industry group and by multi-county planning region was determined with the assistance of growth rates in employment by industry and economic region contained in the 1972 OBERS (Office of Business Economics-Economics Research Service) projections. These projections by industry were organized into five regions for North Carolina instead of the 17 planning regions and therefore had to be disaggregated by the use of ratios, according to Johnston (111). The projections were summated in each planning region to yield a job total which was compared with the population projected for that region. Differences between the ratio of jobs to population and that expected from other considerations were eliminated by making slight adjustments to the projections of jobs by industry group, according to Johnston (113:A-4).

Johnston indicated that the projection of employment by occupation required two major computation steps. First occupational totals within each industry group were projected by applying occupational change-factors to the job totals in each industry group for the state and its 17 regions. The occupational change-factors were taken from a computer tape developed by the U. S. Bureau of Labor Statistics; the Bureau forms panels of experts (from each industry group) who anticipate the changes which will occur over the next 10-15 years in the occupational structure of each industry. The computations described above were carried out for 128 occupations in 36 industries in each of the State's planning regions; projections are theoretically possible for as many as 200 occupations in 83 industries. The second computation step was based on the recognition that job openings occur also as a result of workers retiring, dying, or otherwise permanently separating from the labor force; separation rates were computed, based on the age and sex distribution of employment within each occupation, and were then applied to 1970 occupational employment figures to project job openings as a result of separations. These openings were added to the former occupational projections to yield total occupational requirements for the state and each of its planning regions for the period, 1970-1985 (113:A-6).

National educational-attainment patterns were chosen, according to Cruze, as the appropriate standard to indicate the level of effort required of North Carolina educational institutions to enable the State's citizens to compete more effectively in the national labor market (47:1-10). The age group, 25-34, was selected as the target group since those in the group are most likely to seek education to improve their job productivity. Projections of educational attainment by occupation were made for United States workers in the above age group from an extrapolation through 1985 of educational-attainment changes projected over the period, 1970-1980, by the U. S. Bureau of Labor Statistics. Finally, these projected national standards were applied to the occupational requirement data for North Carolina to project the training requirements in each occupation on each educational level for the period, 1970-1985, for the State and each of its 17 planning regions. This represents the final output of the Cruze-Johnston model and what should be of particular significance to vocational educational planners, public or proprietary, across the State (113:(C-1)-(C-43)).

The North Carolina Model: Comparison and Contrast

For the purpose of comparing and contrasting projection models the researcher found the best discussion and analysis to be that of Kidder (117). The purpose of the following examination is to provide perspective for a clear understanding of the nature and procedures of the North Carolina model in comparison with a variety of model types. Where it has been possible the researcher has examined firsthand in the primary sources a number of the models which are discussed here; in these cases the primary sources are cited instead of Kidder. A great deal of insight into the development and workings of the North Carolina model was gained through a series of lengthy telephone interviews conducted with the model's developers.

According to Kidder, an ideal forecasting model from the vocational educational planner's point of view would incorporate demand and supply forecasts, classification detail, and technology predictions (117:4). In addition the model should involve techniques which can be replicated at different times and places, assumptions which are explicit and reasonable, a structure which can be thoroughly explained in language understandable to potential users of the model, estimate errors, subtotals which are internally consistent, and a procedure for accuracy analysis (117:5).

1. Discussion of Model Types

Forecasting based on unstructured models is commonplace at all levels of government. Career economists in the Bureau of Labor Statistics or the Office of Business Economics in the Department of Commerce frequently utilize data on past trends using such parameters as gross national product, labor force participation, and employment to make informal guesses about future trends. Generally, however, there are a number of staff members in any agency with a "feel" for data and trends and who can outperform the model (117:9).

Area Skill Surveys classified as unspecified models, are patterned on a model developed by the U. S. Bureau of Employment Security (BES) in 1965 and are designed to produce information on the state of a local labor market at a specified point in time. Critical points in this process are sampling technique, questionnaire design, administration, follow-up, and interpretation (117:9). It is difficult to evaluate the accuracy of area skill forecasts relative to other techniques because little comparative research has been done (117:12); however, a standard accuracy analysis was applied to an area skills survey in New Jersey by Rutgers in 1966 and was found to be costly although the discrepencies were reasonably small with the greater differences occurring as categories became occupationally more specific (196:1-10).

The Area Skill Survey has definite strength as a tool for manpower forecasting in supplying the volume of data needed for more sophisticated studies; however, if used to the exclusion of other techniques, it is not adequate because it fails in two areas: clarity of structural logic and assumptions (117:19, 20). Examples of such data gathering models are found in Kraft and Prado's 1971 research and in the Sacks et al. research of 1969, the latter of which describes a St. Louis project patterned on the BES model of 1965 (117:9). The North Carolina model procedure, according to Johnston, does not incorporate this survey technique although the community colleges are expected to conduct this kind of research on a regular basis(113:10).

Other similar studies are more narrowly focused to yield more detailed data than do the Area Skill Surveys. Their special value comes from an increased understanding of the content and structure of a particular set of jobs through collecting information on job titles and descriptions, current stock, and expansion in the number of positions. Examples of these surveys are Barwick et al. in 1965, Masley in 1969, and Oklahoma State University in 1966 (13) (149) (174).

Another unspecified model is the Medvin Unfilled Openings model, an "opening-matrix", developed by Medvin in 1967 and 1969 of the U. S. Bureau of Employment Security (152) (153). Medvin's final output is a measure of the net inability of the community to find workers, the residual after all the various manpower actions have occurred in the market place. Although indentifying occupations with intense shortages is probably crucial in some phase of the operation of any effective model, Medvin fails to cearly limit the scope and state the assumptions of his model (117:16).

Both types of unspecified models discussed (Area Surveys and the Medvin technique) are methods of collecting and arranging employer manpower information in ways that enable forecasters to make further analytical use in more complex models (117:17). In the North Carolina model procedure, previously published data on the characteristics of population, labor force, and economic activity have been used instead of survey data, according to Johnston (113:10).

Most forecasting models have been classified as technological in nature. The simplest of these involve the extrapolation of a linear trend while the more complex involve input/output models with fixed technical coefficients and labor market systems which compute supply-demand balances based on identity equations. The inputs for these complex models come from other demographic models which project changes in age-sex components for the population over time (117:19).

The simple projection models of the technological type can be divided into three categories (117:19):

(1) Thoroughly naive (projection for the next year equals this year's).

(2) Constant absolute change (projection for next year equals actual for this year plus absolute changes).

(3) Constant relative change (projection for next year equals actual this year plus (actual x percentage change this year))

Johnston and Methee in 1966 illustrated a more sophisticated version of absolute-change trend fitting in the state projection of labor force participation from national data (117:19). Indiana's Terra Haute forecasts in 1966 illustrated the application of state percentages to project metropolitan figures by a similar trend method (117:20). More sophisticated than any of the above are linear trend projections in which chronological data is fitted to a curve visually or by the linear regression technique defined under "Definition of Terms" for the purpose of forecasting values from straight line extrapolation; this technique is commonplace and was illustrated by the Northern National Gas Company in 1965 (17). Although clearly less expensive than local employer studies, simple trend projections generate little primary data, are generally national in scope, and generally imprecise in occupational detail. Unfortunately, there is no solid evidence to enable a comparison of the relative accuracy and effectiveness of the two model types (117:21).

The U. S. Department of Labor's Working Group on Manpower Projections in 1967 criticized the simplicity of many of the above models' assumptions: zero technological change, constant occupational structure, and unchanged population growth (117:20). The North Carolina model accounts for change in technology and occupational structure in the OBERS change-factor matrix which it incorporates from the national level. Population projections used in the model reflect a changing rate of population growth (111).

Another model of the technological type which attempts projection more systematically than those already discussed is the paradigm model which utilizes detailed technological studies, "best plant" forecasts, and international comparisons; analysts first examine company reports, government studies, and trade journals and then conduct extensive interviews with experts and visit plants where technological advancement appears to be most rapid. All of this forms the basis of a preliminary report which projects the course of the labor/output ratio and employment for each particular industry. Finally, 10-15 industry experts review these provisional projections to confirm their reasonableness (117:22-23). Haase in 1966 suggested that all innovations which were likely to have an important impact on production over the next decade are already known in the present (117:22-23).

One source of detailed technological analysis is the Occupational Outlook Handbook which provides insight into reductions of employment in certain industries which models and other studies have failed to foresee (226). Goldstein in 1963, in subjecting the Handbook's qualitative projections to analysis, found that 75 of the 108 predictions were correct as to the direction of change (increase, decrease, or none). The incorrect predictions resulted from such invalid structural assumptions as the extent of blue to white collar mobility and also from a defective census population forecast (85).

Although the use of technological models has become more sophisticated in recent years, explanations for technological change are still lacking. Lenz in 1962 and Crossman in 1965 pointed up the need for relating the technological characteristics of an industry to the employer's decision to treat labor costs either as fixed or variable, a decision crucial to the choice of internal versus external sources of manpower (117:22).

Input/output models attempt to structure inter-industry relations of an economy into matrix form; different sectors of the economy sell goods and services to each other, in the end establishing final demands. Occupational requirements are fixed by the interaction of supply and demand which yields a given occupational structure for a particular industry at a given point in time. In the absence of supply data, this model does not generate shorage estimates because total supplies must always equal total demands. The forecasted values derived from this model are basically sophisticated trend projections (117:24-25). A number of states such as Iowa and New York make use of input/output models. Bognanno in 1966 discussed the Iowa projections based on this technique and Berman in 1967 discussed the New York State Department of Labor projections (20) (18); both models make use of state level industry-occupational data for 1960. Log linear projections for New York/national employment by industry were used in computing forecast values in the New York model (18).

The developers of the North Carolina model relied heavily upon the New York State Department of Labor model (45); however, the North Carolina model does not incorporate the basic methodology of the input/output type such as structuring inter-industry relations within the State into matrix form. The North Carolina model also does not make use of state level industry-occupational data as does the New York model; however, Johnston, who helped refine the North Carolina model, indicated that the use of State level data would tend to increase its sophistication. For instance, the data which the North Carolina Employment Security Commission compiles on various sectors of industry over three-year periods could be used to construct an occupational change-factor matrix to replace the one developed from the national level (111); at present no adjustments are being made for North Carolina in the occupational patterns taken from the national level. Also in contrast to the New York model's extensive use of linear or log-linear regressions and projections such as the log-linear projections of employment by industry, the North Carolina model utilizes ratio-correlation analyses and projections to project population and labor-force participation (113:A-2). The North Carolina model projects employment by industry by utilizing growth rates derived from the national level and by applying them to North Carolina data. Johnston indicated that national employment projections by industry were not as reliable as the growth rates themselves for projecting North Carolina employment by industry. The State Employment Security Commission regresses North Carolina/national employment by industry despite the fact that such regression equations are not used in the North Carolina model itself (111).

A model which is apparently more sophisticated than the North Carolina model is another input/output one used in West Virginia to project occupational employment (155). It is a full-scale model of the West Virginia economy developed by Miernyck et al. in 1970 (155); forecasting employment by industry and occupation follows the method of the New York model discussed above. An industry-occupational matrix of 50 broad occupational cateogires was applied to industry totals to produce occupational projections. Firm interviews and data research have been utilized to assemble the data base and plant-level primary data was used in accordance with the "best firm" assumption (117:27). Assembling state level data through the expensive and time-consuming procedure of visitation and interview at the plant level, as Johnston has indicated, enhances a model's sophistication (111); however, tests of accuracy on this technique have not as yet been done. Vocational educators have generally depended upon the less exhaustive measures (117:28).

The Occupational Educational Requirements Analysis (OERA) model, considered as an alternative to the methods of the input/output models, was developed by Morsch and Griest in 1967 (161). Its data base is the set of projections from the National Planning Association (NPA) for sectional production and employment requirements. The Census Bureau's 1/1000 tape (1960) was applied to the data to produce a cross-sectional picture of educational distributions by occupations; this final step, projecting educational requirements by grade level, was added by Nussbaum et al. in 1960 (172). The conversion of projections to educational requirements, as in the North Carolina model, makes the results readily usable to educational planners, but users must be aware of the OERA model assumption that educational distribution in an occupation will remain the same throughout the projection period (117:28).

Community economic base studies are related to the input/output techniques and are especially fitted for local planning. Tiebout in 1962 wrote the classic reference for this technique which treats the local area as a trading unit engaged in importing and exporting goods and services. The model operates on the assumption that income increases generate total employment increases and that an occupational projection can be obtained from this by using an area industry-occupational matrix or by applying the BLS national matrix (218). Harms et al. in 1966 and 1967 illustrated such a model in operation in

Pennsylvania (93) (93). One test case on the accuracy of the community base technique has shown that projections are within one percent of the actual figures (117:30); however, it has not been thoroughly established that any of the input/output techniques, to which the North Carolina model is similar, are superior to other model types (117:31).

Systems models attempt to detail the broad supply and demand forces responsible for a net demand, shortage, or surplus at a specific future date. This approach maps the entire picture of a labor market but does not try to explain or predict behavior through an economically-structured model (117:31). Cases of the systems model approach are the Battelie Institute's Michigan study of 1966, Arnold's Pennsylvania study of 1969, and the Braden et al. study of 1970 (14) (7) (26).

The Michigan model was designed to project labor demand by industry, occupation, and educational attainment over a 15-year period and then the actual labor force by age, sex, and educational attainment for the same period. Comparison of the projected labor demand with the projected supply for the period is carried out in an occupational/educational matrix which showed whether or not the supply of labor by occupation and education would meet industry's occupational/educational demands; imbalances were termed shortage or surplus. Model assumptions were that industrial character and the educational distribution within occupations would largely remain constant (14). The North Carolina model relied heavily in its development upon the Battelie Michigan model as it did upon the New York model (45). The North Carolina model similarly forecasts occupational employment over a 15-year period, but it does not project labor supply along with demand for the purpose of determining the difference as shortage or surplus (113:(A-2)-(A-6)). Also the Michigan model's educational categories differ and do not facilitate use by vocational education planners as do those of the North Carolina model (14). The North Carolina model does not assume unchanged industry-occupational distribution over the 15-year period but accounts for these projected changes by using the OBERS occupational change-factors. The model, however, assumes as does the Michigan model that the educational distribution within occupations will remain unchanged (113:(A-2)-(A-6)). Considering all factors the major similarity between the two models is in the method of the 15-year projections.

Arnold's study of the Pennsylvania vocational education system involves an analysis of the curricula and capacity of institutional supply sources, especially vocational and technical schools. Projections are made in each occupation by applying BLS national occupational change-factors to industry-occupational matrices. Yearly needs are derived by straight-line projections. An employer survey is used to determine the extent of employer training and use of vocationally educated personnel. The data base for this model, which merges census and BLS figures with primary local data, is more comprehensive than that of either the North Carolina or Michigan model (7).

The Occupational Training Information System (OTIS) represents a departure from the models already discussed in four major respects: a technique for continuing critical self-evaluation; a system of recycling each year; a recognition of the interaction between forecasting and the sociopolitical environment; and a subsystem which relates the labor market to disadvantaged workers. A regular collection of supply data from public and private vocational education institutions (an innovation) is accompanied by demand reporting from employers. Demand and supply information by occupation are matched to develop curricular implications through the use of Voational Education and Occupations classifications (26). The researcher examined the model and found it to be highly sophisticated without being mathematically complex. The methods of survey, supply and demand interfacing, and dropout rate estimation were particuarly noteworthy because of their unique character in the model. It is doubtful, judging from Kidder's treatment, that the model has ever been put to the test of actual use although it was in appearance the most comprehensive of all the models examined.

There are systems models with more sophisticated economic assumptions concerning production, demand, and operational shortage. Although they do not represent complete, simultaneous-equation labor market models, their economic rigor distinguishes them from those formerly mentioned. The National Planning Association (NPA) model described by Al-Samarie and Scott in 1970 is one of these (2). Projections by this model are of special interest to vocational education plannners and can be found in the NPA publication (166). The NPA model which projects employment and income was built upon a series of estimating equations and depends upon a labor-supply function and a capital function to determine production output. This functional relationship transcends the fixed-coefficients assumptions of the input/output models. By concentrating on area projections rather than inter-industry completeness and consistency, the NPA model has sacrificed the internal discipline of the input/output format (117:36).

The two remaining model types to be discussed are the specified economic and the specific predictive models. Specified economic models were developed by McNamara in 1970 and 1971 and Maki in 1967 and 1970 and illustrate a combination of forecasting and programming. Linear and non-linear programming involve a process of maximizing and minimizing certain variables subject to one or more constraints; in economic terms, if production is maximized, subject to the constraints of limited resources, the resulting allocation must be efficient (138) (139) (141) (142). McNamara's objective was to secure the efficient allocation of a fixed vocational education budget in order to eliminate manpower shortages (138) (139). Other models of the specified economic type are cost-benefit studies which make use of maximizing and minimizing assumptions; which program or allocation of expenditures will produce the greatest net benefit? This process requires no direct computation of shortage or change in shortage. Generally, an analyst bases cost-effectiveness judgments on the relationship between extra benefits and extra costs in a proposed plan (117:40).

Econometric models of sufficient comprehensiveness to permit prediction and simulation, the specified predictive models, are rare in the labor/manpower field. An ideal model for such an effort is Malinvand's which was discussed by Bowman in 1969 (24). Output from such econometric projection models must still be utilized along with matrices that relate product to occupation and/or education to secure the kind of data valuable to the vocational education planner (117:42).

2. Evaluation of the North Carolina Model

It is necessary to evaluate the North Carolina model against the criteria which Kidder has established for the ideal model:

demand and supply forecasts; classification detail; technological predictions; techniques which can be replicated at other times and places; assumptions which are explicit and reasonable; structure which can be thoroughly explained in language understandable to potential users; estimate errors; subtotals which are internally consistent; and procedure for accuracy analysis (117:5). No place in his discussion does Kidder discusss or mention the North Carolina model although it was in existence two years before publication of his review.

In the North Carolina model demand forecasts are the occupational and training requirement projections. According to Johnston, supply forecasts are not made as such but the available manpower in 1970 was subtracted from the total projected demand in 1985 to establish the training requirement for the period, 1970-1985. The model provides classification detail, as to industry, occupation, and educational level for the State and each of its 17 planning regions (113). Technological predictions are implicit in the OBERS occupational change-factor data which the model uses. It is apparent that the model techniques can be replicated at other times and places (113:(A-2)-(A-6)). The model's assumptions are not clearly explicit because the researcher ascertained all of these only after diligent searching and interviewing. Most of the model's assumptions have previously been identified at the appropriate point in the discussion and will not be restated here. An assumption not heretofore mentioned is that there would be no recession during the projection period (111); recessions would be very difficult to predict and no model would likely be able to account for them. Johnston has indicated that the recent recession (1975-1976) in North Carolina apparently had not affected Community College System enrollments as they were projected from the model output (109). Available evidence of the model's performance has been encouraging for future use. The model structure can be thoroughly explained to potential users although it is more complex than most which the researcher has examined in primary sources; technical language must be employed in the explanation. Subtotals are an integral part of the model and there are procedures built into the model to achieve consistency. There is no apparent procedure for accuracy analysis, but actual enrollments in the Community College System have been compared with the projected training requirements in each planning region; although actual experience has so far been limited, the model, according to Johnston and Tollefson, has been tracking well (109)(220).

Although the North Carolina model is not ideal according to Kidder's criteria, as it is doubtful that any is, the researcher believes that it measures up rather well according to the criteria and in comparison with other types and particular models discussed by Kidder. Cruze, the initial developer of the model, believes its uniqueness is in its projection of training requirements by almost every level of educational attainment within individual occupations; it deals with the entire labor market. Cruze ranks its sophistication as compared with other model types "in the middle". He believes that the model would be more sophisticated if some other factors were examined: relative wage rates; substitution of one skill for another; and the effect of those with college degrees. Cruze further suggested that a short-term model which did not project state employment as a share of national employment but which utilized state level data instead would be more sophisticated than the long-range model; he also asserted that the more sophisticated models incorporate econometric simultaneous equations (45).

As to the overall performance and effectiveness of the model, Johnston indicated that as yet there had been no formal follow-up study although one was planned. He pointed out that the State Board of Education liked the model because it facilitated enrollment projection breakdowns by region and institution (109). Tollefson said that he had predicted on the basis of model projections a total enrollment of 510,000 in the Community College System for the year, 1974-1975, while the actual enrollment was about 526,000, a difference of only 3.1 percent. He added that there had been a great deal of interest shown in the North Carolina model by officials in other parts of the nation and that the model was the most sophisticated one he had seen (220).

Survey Questionnaire

Instrument Design and Pretest

The researcher had planned on the basis of early discussions with officials such as Johnson in the North Carolina State Department to collect all of the needed data on each of the 19 proprietary business schools by visiting the Department and making Xerox copies or complete notes on all appropriate records; each business school must submit annual reports to the Department (105). The researcher operated initially under the assumption that he had access to these records and could make use of the institutional data as long as he maintained the anonymity of institutions by use of an appropriate coding system. Later, in discussing the data collection phase with Dickinson, the researcher learned that she would have to seek permission from the North Carolina Attorney General to give the researcher access to the Department's files. Shortly thereafter, Dickinson reported to the researcher that she had met with the Attorney General and that permission had been denied; permission had not previously been granted to the news media and therefore could not be granted to a researcher. The researcher realized that this development would necessarily alter somewhat the research design and schedule. At this point Dickinson suggested that whereas the researcher had previously intended to utilize the survey questionnaire only once for updating catalog information and measuring attitudes, that he now plan to use it also for gathering enrollment data.

The researcher chose to employ an independent agency to receive the returned questionnaires for the purpose of maintaining anonymity; the researcher contacted William Faircloth of the CPA firm, Faircloth, Giles and Company, located in Fayetteville, North Carolina, requesting his services as the independent agent. The text of the letter to Faircloth, dated August 25, 1976, can be found in the Appendix, (B-1)-(B-2). Faircloth and his firm agreed to perform the services as outlined in the letter. The researcher prepared a letter to go out over Faircloth's signature and which would explain to the chief-executive officer of each business school the purpose and nature of the research project and also that of the first questionnaire. The text of this letter, dated September 22, 1976, and the first questionnaire can be found in the Appendix, (B-3)-(B-6).

The first questionnaire and accompanying letter were mailed to the 19 business schools during the last week in September pf 1976. Then approximately six weeks later Faircloth and his secretary contacted all 19 schools by telephone to determine which ones had responded and which had not as yet and the reasons; they kept a record of these conversations and of the reasons why they had not responded and again urged the executives to respond as quickly as possible. After waiting another three weeks for the remainder of the responses to be returned, the researcher took the list of non-respondents and personally recalled them. The researcher spent an average of 20 minutes talking with each executive or his secretary in his absence, explaining in detail the purpose and nature of the research and personally seeking their cooperation in completing and returning the questionnaire. Even those few who were negative at the outset, in the end expressed the desire to work with the researcher. The researcher also took this opportunity to prepare them for the second questionnaire which they would soon receive in the mail. At the same time the researcher wrote to each of the chief-executives who had already responded, thanking them for their help and also preparing them for the second questionnaire.

The second questionnaire was divided into two sections, the first of which was designed to update catalog information on such matters as current curricula, class scheduling and hours, availability of federal grants and loans to students, degree programs, accreditation, transferability of credits to four-year institutions, needs surveys and long-range planning, plans for curricular revision, placement and attrition rates, and institutional-community relations. Additionally, certain questions in this section sought information to answer Question C.

The second section of the questionnaire was designed to measure attitudes among the school chief-executives toward business school identity as an industry in North Carolina, the function of business schools in the total educational structure of North Carolina, and the desirability of a cooperative system among North Carolina business schools characterized by by specified services, demands, and obligations. The statements in this second attitudinal section were structured to conform to the Likert technique for scaling and scoring as explained by Shaw, Phillips, and Young (203:24, 567)(182:184)(250). The researcher labored to phrase each statement in the simplest possible language necessary to clearly express a position, favorable or unfavorable, on a single concept, philosophy, or problem (203:567). One-half of the statements in each subsection were favorable and the other half unfavorable toward the concept, philosophy, or problems (182:184). As indicated in the instructions to "Section II" the school executives were presented with the choice of "circling 'Strongly Agree', 'Agree', 'Undecided', 'Disagree', or 'Strongly Disagree'" whichever expressed their degree of feeling toward a particular statement (203:24, 567). The statements in this section were organized into three subsections to measure the attitudes of the respondents toward three separate but related ideas. "Subsection I" was designed to answer Questions A and F, "Subsection II" to answer Questions D and E, and "Subsection III" to answer Question G. The responses were scored by assigning values of 5, 4, 3, 2, and 1 to "Strongly Agree", "Agree", "Undecided", "Disagree", and "Strongly Disagree" respectively for positively worded statements and just the reverse, 1, 2, 3, 4, and 5 respectively, for negatively worded statements. A respondent's score on the scale was computed as the sum of his individual statement scores (203:24). A high score was indicative of a favorable attitude position toward the concept, philosophy, or problem manifested in the set of statements in the subsection; according to Remmers, a low score was indicative of an unfavorable attitude position toward the same (203:24)(190:96).

A pretest of "Section II" of the questionnaire was conducted on a sample of 26 proprietary business schools domiciled in Virginia, 11 in Tennessee, and eight in South Carolina. To incorporate the responses to the pretest, a matrix table (Appendix, C-1) was constructed to show the frequency distribution of various responses to individual statements and the total score for each respondent. Upon examining the configuration of responses as shown in the table the researcher was able to identify those statements which were undifferentiating, that is those statements which elicited the same responses from respondents at either end of the attitude continuum. This completed the pretest process, the purpose of which was to identify the undifferentiating statements.

The researcher prepared another letter, again to go out over Faircloth's signature and which explained the purpose and significance of the second and last questionnaire. The text of the letter, dated December 30, 1976, and the second questionnaire are found in the Appendix, (B-7)-(B-19). The questionnaire and letter were mailed to the 19 schools during the last week of December, 1976. Approximately two months later the researcher wrote to all of the school executives, stressing how crucial their responses were to the total value of the research and in particular to the usefulness of the findings to them personally in the future; the researcher again urged them to respond immediately if they had not already.

After receiving the responses to the second questionnaire from the North Carolina school executives, the researcher constructed two matrix tables (Appendix, C-2 and C-3) to show the distribution of responses to the individual statements remaining in the survey after the undifferentiating statements were eliminated. In addition a summary table, 4-9, contained in Chapter Four, was prepared to show the range, mean, and median of scores for each of the three subsections individually and as a whole for the respondents from North Carolina and the three other states. Another table, 4-10, also contained in Chapter Four, was prepared to show a comparison of the mean and median responses for each individual statement (including the undifferentiating ones) from the North Carolina population and the out-of-state sample.

Choice of Scaling Technique

The researcher chose to utilize the Likert method of "summated ratings" because of its simplicity and proven effectiveness (70:252-255). Likert in his initial presentation of his technique in 1932 stressed its simplicity and other experimenters such as Edwards since then have attested to this simplicity, but also to its high reliability (132:44-53) (70:252-255). Rundquist and Sletto who used the Likert technique in constructing the Minnesota Survey of Opinions scales in 1936 found it to be less laborious than that developed by Thurstone which consumes about twice the amount of time in construction even excluding the additional time spent by the judging group in scoring the items (70:252). Available evidence indicates that the attitude of the judging group in the Thurstone technique is not an important factor determining the scale values of items. Scales constructed by the Likert method yield higher reliability coefficients with fewer items than those constructed by the Thurstone method (70:255). The Likert scales which the researcher examined average 24 item statements (203). The researcher found that many authors' descriptions of the Likert technique were vague and tended to ascribe greater complexity to the method than did Likert's own lucid treatment in 1932 (132:44-53). Likert continually stressed simplicity such as in the process of assuring internal consistency in the scale; the responses from the pretest must be analyzed to determine which items discriminate best between the high-scoring and low-scoring respondents. For example, items to which high scorers and low scorers respond similarly are eliminated from the scoring in the final version of the scale. Likert suggested that the responses of the highest 10 percent at one extreme in the attitude being measured be compared to those of the highest 10 percent at the opposite extreme for the purpose of identifying those statements which do not discriminate (133:44-53).

In light of Likert's own recommendations for attitude scale construction, the objectives of attitude measurement in this study, and the size of the population and sample of business schools, the researcher chose to strengthen internal consistency among the scale items by the simplest possible means; sophisticated statistical techniques such as the determination of correlation coefficients in an analysis of all of the items in the scale were considered to be unwarranted. Rather the researcher decided to compare the reactions of the two extreme groups as Likert suggested. Examination of the composite sample from the four states and the comparative examination of the four individual samples yielded an appropriate perspective for evaluating the North Carolina school executives' attitudes.

Institutional and Market Evaluation

The survey questionnaire and other primary sources previously discussed provided information or data relevant to the student market for the business schools or to their institutional readiness for that market in the period, 1980-1985. Data on projected training requirements, community college curricula enrollment, business school curricula enrollment senior college curricula enrollment (when appropriate), and high school graduates for each of the multicounty planning regions of North Carolina was compiled into tables (Chapter Four). The data on institutional characteristics obtained from the responses of the business school executives to the second questionnaires has been summarized in Table 4-1 (Chapter Four).

Because of the regional nature of the available projection data, the business schools and their markets have been examined by planning region. Each institution's capability to compete has been evaluated in relation to the market, 1980-1985, in the region in which it is located and in relation to the comparative capabilities of its competitors within the same region, the community colleges, technical institutes, and other business schools. The differences in competitive capability from one institution to another have been viewed by the researcher as resulting from differences in the quality of institutional characteristics such as curricula and management to mention only two.

The method or procedure utilized by the researcher to evaluate markets and institutions has no precedent in the literature of school market or institutional evaluation. The character of the evaluation process is statistical, qualitative, and comparative, akin to the technique used by political scientists and economists in the comparative study of political and economic institutions (67).

Presuppositions of the Methodology

The a priori presuppositions of the North Carolina projection model have presiously been identified and discussed and therefore require no further mention here. The procedure for institutional evaluation is based on the assumptions of the systems approach; that is that the business schools are individual systems in which the elements, parameters, and relationships are organized to operate together toward the end of making profits and surviving as enterprises. Variations exist from institution to institution in the quality of elements, parameters, their relationships, and the processes which turn inputs into outputs. Given certain constraints such as the prevailing market within which an institution must operate, its operational behavior and outputs are predictable from the pattern of quality of its parameters, relationships, and processes. The systems approach assumes the existence of the same parameters, relationships, and processes in each institution with variation occuring only in their quality from one institution to another. The researcher's comparative evaluation treats the differences in institutional capability to provide competitive services as the consequence or effect of difference in the quality of elements from one institution to another. The schools' external relationships with each other and the community and their total systemwide capability to compete with the North Carolina Community College System are an extension of their internal organization and operational behavior.

CHAPTER FOUR

PRESENTATION OF DATA AND ANALYSIS OF RESULTS

Introduction

A. Order of Data Presentation and Evaluation

In order to evaluate each proprietary business school and its market for the period, 1980-1985, the researcher had to collect considerable data in the form of model projections of training requirements, enrollment and graduate statistics for the community colleges, senior colleges (when appropriate), and business schools, follow-up statistics for high school graduates, and institutional characteristics compiled from survey questionnaires and school catalogs. To facilitate the evaluation process the researcher organized the data into a number of appropriate tables corresponding to each of the six regions examined in the study.

The presentation of data and its discussion were divided into six sections corresponding to each of the six regions under study. The first set of data presented and discussed in each section was the community college, senior college, and business school enrollments and graduates in seven selected 1-2 year curricula. The second set of data presented and discussed was the annual demand, 1974-1985, for the six areas corresponding to the seven curricula offered by the community colleges and business schools. The researcher then compared the two sets of data, supply and demand, to determine either surpluses or deficiencies of trained personnel.

Following the presentation and discussion of the two sets of data and their comparison for each region, the researcher has described those institutional characteristics possessed by each business school and attributing to it its particular identity. Finally concluding each section within the chapter is an institutional and market evaluation for each of the business schools examined in that section.

B. Assumptions Concerning the Processing and Analysis of Data

In the presentation of enrollment and graduation data the community colleges have been identified by their proper names while the business schools have been identified by code numbers only (BS1, BS2, BS 3, --- BS 19). Abbreviations have been used to identify curricula and demand areas. Curricula: MR - Marketing-Retailing; BA - Business Administration; AC - Accounting; LS - Legal Secretarial; MS - Medical Secretarial; ST - Stenographic; OS - Other Secretarial. Demand Areas: MA - Management-Administration; AB - Accounting-Bookkeeping; LS - Legal Secretarial; MS - Medical Secretarial; ST - Stenographic; OS - Other Secretarial. "Average Annual Enrollment, 1974-1976" has been abbreviated as "AAE". "Average Annual Graduates, 1974-1976" has been abbreviated as "AAG". "Average Annual Demand, 1974-1985" has been abbreviated as "AAD".

The six training demand areas were selected to correspond to the curricula offered by the business schools of North Carolina. The researcher established this correspondence relationship between the demand areas of the North Carolina projection model and the business school curricula by the use of three sources: his own personal experience in and with the schools; a directory and handbook of occupational titles, descriptions, training, and outlooks by the Department of Labor (226); and descriptions of occupational objectives relating jobs to curricula in business school and community college catalogs from North Carolina. In each of the approximately 150 demand areas addressed by the projection model the demand was broken down into seven categories ranging from "Grades 0-7" to "College 4+" (113:C-30). The category which the researcher selected as corresponding to the level of training in the business schools and community colleges was "Postsecondary" (113: 37-40).

The training demand areas which were selected because they correspond to curricula offered by the business schools are: Management-Administration; Accounting-Bookkeeping; Legal Secretarial; Medical Secretarial; Stenographic; and Other Secretarial. The Other Secretarial demand involves the demand for all those trained in Secretarial curricula other than Legal, Medical, or Stenographic; it encompasses the demand for typists and receptionists as well as the demand for executive and technical secretaries. The curricula corresponding respectively to the above demand areas are Marketing-Retailing and Business Administration; Accounting; Legal Secretarial; Medical Secretarial; Stenographic; and all other Secretarial curricula.

The researcher has categorized under "Postsecondary" training all Associate of Applied Science degree programs in Marketing-Retailing, Business Administration, and Accounting and all training beyond high school in the Secretarial curricula. All Associate of Arts degree programs, except in Secretarial curricula, have been categorized under "College 1-3" because Arts degree training has been described in academic publications such as those by the North Carolina Board of Higher Education as college transferable preparation for the baccalaureate degree (169). The researcher therefore did not find it valid to categorize Associate of Arts degree training, except in Secretarial curricula, under

"Post-secondary". Business schools in North Carolina which meet certain requirements can qualify for Applied Science degree licensure but not for Arts degree licensure (169). That is not to say that the Arts degree training in Marketing-Retailing, Business Administration, and Accounting differs greatly with that of Applied Science degree training in the same areas or that no senior institutions transfer Applied Science degree credits from business schools; quite to the contrary many 4-year schools accept anywhere from just a few to all business school credits in selected curricula into their baccalaureate programs. The fact is simply that the Associate of Arts program is intended to be a transferable program in North Carolina and cannot therefore be considered to fall within the scope of "Postsecondary" attainment in the projection model (169). The researcher has made the one exception to the above in the Secretarial curricula because students who have enrolled in an Arts degree program in the Secretarial curricula are not likely to transfer these credits into any kind of a baccalaureate program.

In attempting to compile a complete set of enrollment and graduation data from all schools offering curricula which contribute toward supplying the demand in the six selected demand areas in a particular region, it was necessary to make a list of all private and public institutions offering programs beyond the secondary level within that region; the researcher studied the curricula of all these schools to determine which offered appropriate "Postsecondary" training. In addition to the business schools and community colleges a few private junior and senior colleges were found to offer appropriate degree, diploma, or certificate programs, and therefore enrollment and gradudation data were collected from them as well. All of the private junior and senior colleges queried about enrollments and graduates were most cooperative in supplying complete curricula data. The data from these schools has been presented along with that of the community colleges and business schools in each section of the chapter.

Data presented on high school graduates, business school, senior college, and community college enrollments and graduates, AAE, AAG, and AAD should be considered accurate to the nearest 10 although the data has been presented just as reported by each institution, governmental agency, or research organization. All of the presented data was compiled from reports and questionnaires prepared or returned by institutions, agencies, or organizations.

The community college curricula data was collected from the Department of Community Colleges with the permission and assistance of Terrance Tollefson and Julian Wingfield (219) (220). Curricula data for the years, 1971-1976, was examined by the researcher for the purpose of discovering any pattern or trend in the enrollments or graduates from each of the seven curricula at each community college within the region being studied. The researcher computed the AAE and AAG in each of the curricula where the researcher considered them to be a reliable indicator of what annual enrollment and graduate supply would be through 1985. The researcher computed the AAE and AAG for the period, 1974-1976, for the purpose of providing figures which would parallel the AAD for the period, 1974-1985, in the six demand areas.

In the Accounting, Marketing-Retailing, and Business Administration curricula, which have shown large increases since 1974 in almost every community college examined, the researcher has assumed, based on statistics and reports from the Department of Community Colleges and knowledge of the Veteran market, that the enrollment high was reached in the period, 1975-1976 (220). The researcher has therefore estimated a slow annual decline producing enrollments and graduates in these two curricula through 1985 similar to their computed AAE and AAG, 1974-1976; the AAE and AAG were considered to be a reliable indicator of these enrollments through 1985. Curricula enrollments and graduates in the Secretarial area have shown a pattern of steady fluctuation at most community colleges; therefore, the AAE and AAG, 1974-1976, in each of the four Secretarial curricula areas were considered to be a reliable indicator of enrollment and graduate supply through 1985.

The business schools present an enrollment and graduation picture which differs from that of the community colleges, especially in the Marketing-Retailing and Business Administration curricula. Many of the business schools have shown a steady increase in this curriculum up through 1975 followed by a sizeable decrease between 1975 and 1976; therefore, the AAE and AAG were not considered a reliable indicator of where these schools would stand in supplying the demand in these areas through 1985. In these cases where the enrollment has suddenly experienced a drastic drop it is difficult to anticipate successive enrollments and graduates; however, the researcher does not expect large successive decreases in these curricula in the business schools; therefore, the researcher chose to use the latest enrollment and graduate figures available to him, those for 1975-1976, instead of the AAE and AAG, as an indicator of enrollment and graduate supply in those curricula through 1985. Accounting enrollment in the business schools has generally shown a pattern of steady increase as it has in the community colleges. The researcher has assumed as he did for the community colleges and for the same reasons that the high in this curriculum was reached in the period, 1975-1976, and has therefore estimated a slow annual decline producing enrollments and graduates in the curriculum similar to its computed AAE and AAG, 1974-1976; the AAE and AAG were considered to be a reliable indicator of enrollment and graduate supply in this curriculum through 1985. Secretarial enrollments in the business schools have shown a pattern of either slow increase, negligible change, or steady fluctuation; the AAE and AAG in each of the four curricula were therefore considered to be a reliable indicator of enrollment and graduate supply through 1985.

The AAD, 1974-1985, in each demand area for each region was computed by dividing the total demand, 1974-1985, by 12; it was considered correct to the nearest 10.

The difference between indicated average annual enrollment supply through 1985 in each curricula and the corresponding annual training demand through 1985 in a particular region was computed by finding the difference between the average annual combined institutional graduate number in the region and the corresponding annual training demand in that region. The difference was considered an indicator of surplus or deficiency in the supply in relation to the demand in that training area in that particular region.

C. Assumptions Concerning the Institutional and Market Evaluation

Only seven regions of the total of 17 in North Carolina have business schools located within their boundaries, and the business schools in only six of these seven reported by questionnaire, data sufficient to warrant an institutional and market evaluation of them. Of the total 19 business schools in North Carolina, the researcher has therefore found it possible to conduct an institutional and market evaluation for 18 of these. The evaluation of each of the 18 has been based on the assumption that differences in competitive capability among the schools in a region is the effect of differences in the quality of institutional characteristics. The effect which a particular characteristic or number of characteristics have on a school's competitive capabilities is not necessarily the same in each competitive system of schools within a region. The effect of a particular institutional characteristic depends upon the comparative quality of that characteristic among the competing schools in that region. For example the lack of accreditation would not be as significant to the competitive situation in a region where no business school is accredited as in one where some are; this example illustrates the reason why the researcher cannot validly define evaluation assumptions which apply absolutely to the competitive situations in all regions.

The researcher conceives of a school's market potential, 1980-1985, as a product of the interaction of the school's training demand in the region with its competitive capability in relation to that of the other schools competing in the same region.

Assumptions basic to the structure of the North Carolina projection model and to its application toward projecting and planning for community college enrollments in each planning region of North Carolina are: that students in North Carolina are somehow motivated to seek training (1) on the national standard attainment levels in various occupations (2) and to an extent commensurate with the demand for that occupational training in that region in which they reside; (3) that those who reside in a particular region will seek training only in that region's institutions and not in those of adjacent regions; (4) and that once trained in a particular region they will not seek and find employment in an adjacent region. The researcher has used the data projected by the model which was structured on these assumptions and has therefore necessarily accepted this same "self-contained market" assumption. Based upon responses to inquiries made within the Community College System, the researcher finds this assumption to be valid (220).

D. Character of the Market of Available High School Graduates and Eligible Veterans, 1976-1986

The data presented in Table 4-1 indicates that the peak years for high school graduates are 1979-1982, with a mean and median annual loss of 23 and 19 students respectively per region over the period, 1976-1986. The mean and median percentage of high school graduates who enrolled in business, trade, or nursing schools in 1971 was 17.8 and 17.8 respectively; the mean and median for the same in 1972 was 5.0 and 5.2 percent respectively. This respresented a mean and median drop in percentage points between 1971 and 1972 of 12.8 and 12.4 respectively per region which resulted in a mean and median loss of students to the business schools between 1971 and 1972 of 649 and 715 students respectively per region. At the same time there was a mean and median gain to the community colleges in the same regions of 810 and 747 students respectively per region. The mean and median difference between business school losses and community college gains was 196 and 70 students respectively per region. The researcher finds the smallness of this difference to demonstrate that the losses to the business, trade, and nursing schools were largely gains to the community colleges in the same regions. The shift of enrollments from the business schools to the community colleges and technical institutes occurred between 1971 and 1972.

TABLE 4-1

Available High School Graduates, 1976-1986, and Enrollment Trends, 1971-1973

	Region								
	B	C	F	G	J	M	O	Mean	Median
Graduates, 1976*	2, 707	2,085	11,262	14,048	5,912	4,456	2,635	-	-
Graduates, 1986*	2,521	2,135	10,684	12,440	7,253	3,906	2,590	-	-
Peak Number and Year	3,148(82)	2,308(82)	12,664(79)	14,982(79)	8,029(80)	4,945(79)	2,984(82)	-	-
Average Annual Change 1976-1986	-19	+5	-58	-161	+134	-55	-5	-23	-19
Percentage of Graduates** in Business, Trade, Nursing Schools, 1971	23.6	12.8	17.8	15.5	19.5	21.5	13.9	17.8	17.8
Percentage of Graduates** in Business, Trade, Nursing Schools, 1972	5.5	4.8	5.4	5.2	4.7	3.9	5.2	5.0	5.2
Percentage of Graduates** in Business, Trade, Nursing Schools, 1973	6.4	4.2	5.4	5.2	5.1	4.4	5.0	5.1	5.1
Percentage Point Drop, 1971-1972	-18.1	-8.0	-12.4	-10.3	-14.8	-17.6	-8.7	-12.8	-12.4
Loss to Business Schools, 71-72	379	115	798	1,283	817	715	435	649	715
Gain to Community Colleges, 71-72	331	152	1,501	1,657	747	770	511	810	747
Difference Between Loss and Gain	48	37	704	381	70	55	76	196	70

* Projection of High School Graduates, 1977-1986, pp. 1-6.

**North Carolina State Department of Education Follow-up of High School Graduates, 1971-1973, 1971-1973, pp. 1-26.

The Veterans Administration does not have projection statistics available on the number of Veterans within each state and county who will remain eligible for educational benefits, 1976-1986; it does not break down its national data on eligibility because the necessary state and county variables are unknown until after the census. The North Carolina Office of Veterans Education likewise has not been able to produce estimates of the number of Veterans who will remain eligible through 1986 (58) (59). The available national data does indicate that the number of Veterans who remain eligible to use educational benefits will decline at an average annual rate of about five percent during the period, 1977-1986 (58) (59). If this rate of decline can be assumed applicable among Veterans within North Carolina, then the schools training Veterans can expect an annual decline of at least five percent in the market from which they have been recruiting Veterans. The percentage of the declining market, however, which a school is able to recruit annually will depend upon its own competitive abilities in that same market in which its competitors are also recruiting; the shrinking magnitude of the Veteran market in North Carolina is a constraint which must be recognized and accounted for in the planning of all business schools competing in the market of the 80s.

E. Institutional Characteristics of the North Carolina Business School Group, 1976

The 19 business schools examined in this study possess certain characteristics in common. See Table 4-2. Before describing the particular identify of each of the schools the researcher has identified those traits which the schools display as a group. All of the schools are proprietary as previously defined although three (16 percent) are non-profit. Twelve (63 percent) have had three or more owners. Only three (16 percent) of the owners (1977) have been training a family member or relative to succeed them in the business. Fifteen (79 percent) have some form of accreditation either as 1-year business schools or junior colleges of business and 12 (63 percent) are licensed by the University of North Carolina Board of Governors to grant the Associate of Applied Science degree. Nine (47 percent) offer ten or more individual curricula. Eleven (58 percent) reported that some or all of their credits in selected curricula have been accepted by one or more senior institutions. Fourteen (74 percent) have students receiving tuition assistance from at least one of the four major federal aid programs (BEOG, SEOG, NDSL, or CWSP) while seven (37 percent) have indicated they have students participating in all four Federal programs.

TABLE 4-2

Institutional Characteristics of the North Carolina Business Schools, 1976

	Number of Respondents	Range	Mean	Median
Number of Owners	18	1-4	27	3
Avg. New Student Enrollment Per Term	12	30-325	110	98
Avg. Graduates Per Year	12	40-450	170	115
New Students Enrolled During 1976	19	5-950	333	296
Avg. Full-Time Enrollment, 1976	19	5-1250	346	220
Graduates, 1976	12	50-437	195	156
Student Attrition Rate, 1976	11	10-50	22.7	20
Full-Time Faculty, 1976	19	2-21	8	6
Part-Time Faculty, 1976	19	0-40	12	8
Avg. Student/Faculty Ratio, 1976	13	15/1-30/1	23/1	25/1
Tuition/Quarter Hour	19	$7.50-$44.00	$22.89	$25
Enrollment Expense/Student	11	$1.00-$250.00	$106.18	$71.33
Pieces of Promotional Literature	19	0-9	2.5	1

All of the business schools operate on the quarter system with 11-12 week terms. Nine (75 percent of the 12 reporting) have averaged new enrollments per quarter in the category of 51-150 students with a mean and median for the 12 schools of 110 and 98 respectively on a range of 30-325. Sixteen (84 percent) indicated students must possess either a high school diploma or equivalency certificate from the North Carolina Department of Public Instruction to satisfy their entrance requirements. Twelve (63 percent) will accept credits from other institutions only in equivalent courses in which the student has earned a "C" or better. Eight (67 percent of the 12 reporting) reported average annual graduates in the category of 40-200 students with a mean and median for the 12 of 170 and 115 respectively on a range of 40-450.

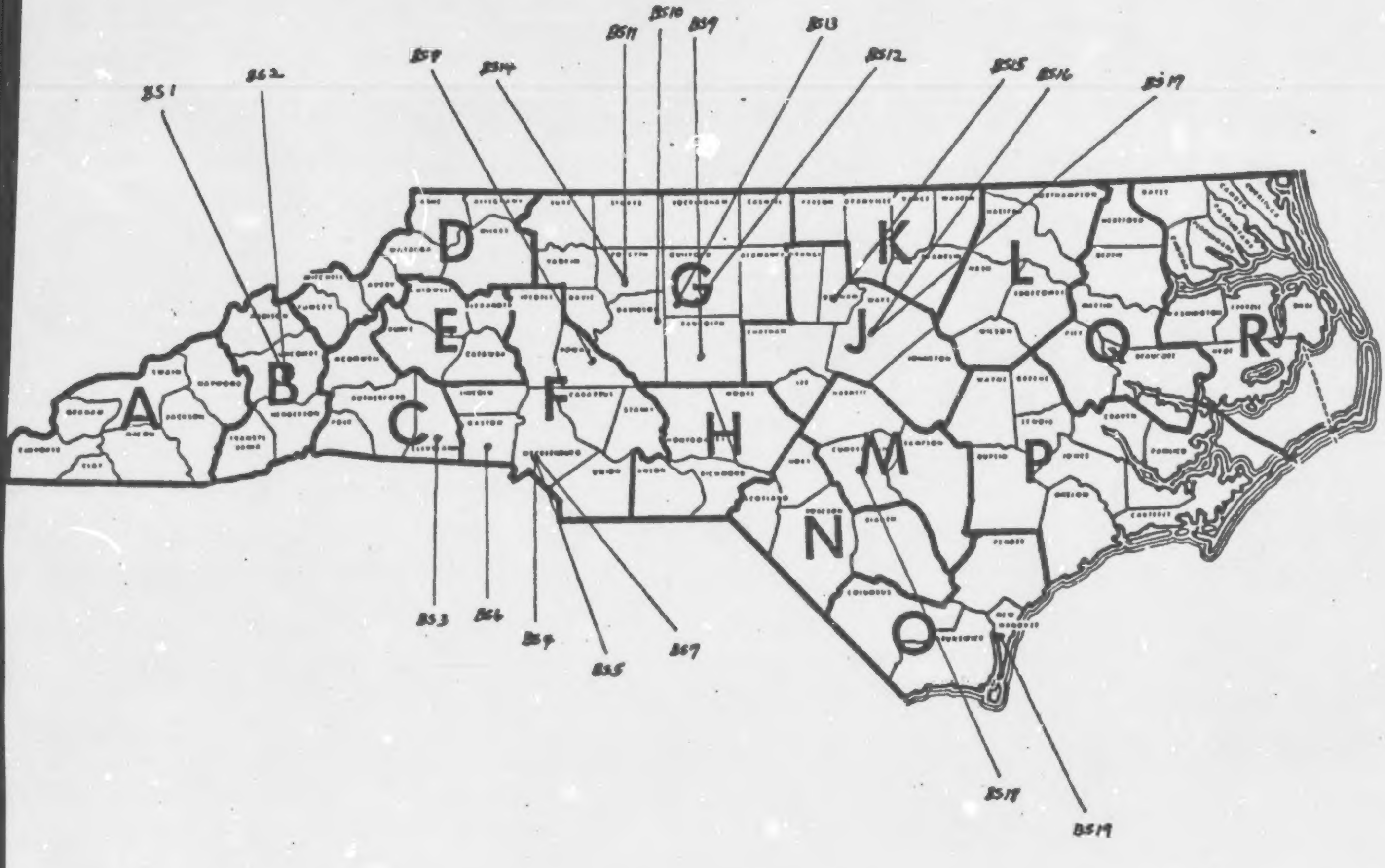
Thirteen (68 percent) of the schools enrolled in the category of 101-500 new students in 1976 with a mean and median new student enrollment for all 19 in 1976 of 333 and 296 respectively on a range of 5-950. Thirteen (68 percent), although not the same 13, sustained average full-time enrollments in the category of 5-500 students in 1976 with a mean and median full-time enrollment for all 19 in 1976 of 346 and 220 respectively on a range of 5-1250. Eight (67 percent of the 12 reporting) reported 1976 graduates in the category of 101-300 students with a mean and median for the 12 in 1976 of 195 and 156 respectively on a range of 50-437. The mean and median student attrition rate, 1976, for the 11 reporting schools was 22.7 and 20 percent respectively with a range of 10-50 percent attrition.

The researcher was able to secure faculty data for 1976 for all 19 schools. The full-time faculty, 1976, ranged from 2-21 with a mean and median of eight and six respectively. The part-time faculty, 1976, ranged from 0-40 with a mean and median of 12 and 18 respectively. The student to faculty ratios, 1976, for the 13 reporting schools ranged from 15:1 to 30:1 with a mean and median for the 13 of 23:1 and 25:1. Fourteen (82 percent of the 17 reporting) required a 2.0 cumulative average on a scale of 4.0 for graduation; three (18 percent of the 17 reporting) required only a 1.75. Six (35 percent of the 17 reporting) considered a 2.0 average as satisfactory progress while three (18 percent) considered 1.75 satisfactoy progress. Eight (47 percent) either considered 1.5 or 1.0 as satisfactory progress, did not define satisfactory progress or probationary status in terms of grade point average, or made no mention whatsoever of satisfactory progress or probation. Three schools fell into this last category by failing to mention in their catalogs any policy on satisfactory progress or probationary status. Six (35 percent of the 17 reporting) required a term average of 3.5 for Dean's List recognition; eight (47 percent) required a 3.0 average while three (18 percent) did not mention Dean's List requirements. Seven (37 percent of the 19) provided credit by exam and five of these required a grade of "B" or better on the exam before credit could be granted.

Tuition rates at the business schools ranged from $7.50/quarter hour to $44/quarter hour with a mean and median of $22.89/quarter hour and $25/quarter hour respectively. Fifteen (88 percent of the 17 reporting) required a fee of $10 or more to accompany an application; in only two of these schools was the amount refundable if the applicant canceled out later. With a range of $10-$25 for the application fee the median for the 17 schools was $15.00. Eight (42 percent of the 19) required a tuition deposit ranging from $15 to $200 with a median of

$50. Three (16 percent of the 19) required activity fees of $8, $15, and $119 respectively payable at initial registration. Graduation fees were required by 12 (63 percent of the 19) and ranging from $5-$25 with a median of $10. Seven (64 percent of the 11 reporting) reported average enrollment expenses per student in the category of $26-$150 with a mean of $106. All 19 schools defined a refund policy in their catalogs.

Twelve (63 percent of the 19) distributed promotional literature ranging from one to nine individual pieces; the mean and mean for the 12 were four and two respectively. All referred in their catalogs to some kind of counseling, often vaguely defined and generally not conducted by professionally trained counselors. Four (33.33 percent of the 12 reporting) indicated they conducted a training needs survey of local business and industry sometime during the 2-year period, 1975-1977. Two (17 percent) reported conducting the same kind of survey sometime within the 5-year period, 1972-1977. Six (50 percent) reported that no training needs surveys had ever been done; three of these six went on to indicate they thought these surveys were "of very little real value" while the other three indicated that they considered the surveys to be "indispensable tools which must be used to evaluate and update curricula to meet community needs", "of considerable value in institutional planning", or "an indispensable tool for future planning". Only three (25 percent) offered any substantial evidence of how they planned 1-5 years in advance; the other nine (75 percent) indicated "I plan day to day", "Do not", or "Does not apply". Ten (83 percent) described specific steps they were taking to strengthen their relationship with and image in their communities. These same ten have described such steps as "hiring a public relations expert", "publicizing faculty qualifications", LOCATION OF THE 19 BUSINESS SCHOOLS IN NORTH CAROLINA



"educating poor, underachievers after failure in the public school system", "positive thinking and acting in regard to the communities we serve", "involving ourselves in community sponsored projects", "sponsoring fashion shows", "making internship placements", "giving career lectures in area high schools", and "train competent graduates".

Schools and Markets Within Planning Region B

In the Management-Administration area there has been a 45 percent surplus within Region B while there have been deficiencies in the other areas, the largest one being 70 percent and in the Other Secretarial area. See Tables 4-3 and 4-3A. The surplus in the Management-Administration area has resulted from heavy Veteran enrollment in the Marketing-Retailing and Business Administration curricula. At least 30 percent of the graduates from these curricula should not be able to utilize their training unless they are already employed in that area. Comparative examination of the Accounting enrollments in the four competing institutions, Asheville-Buncombe Technical Institute, Blue Ridge Technical Institute, BSI, and BS2 reveals that the two technical institutes have not been enrolling any students in Accounting although the curriculum is offered. BS1 and 2 have alone been supplying Accounting graduates, but leaving a 40 percent deficit in that area within Region B.

Table 4-3

Average Annual Enrollment and Graduate Supply, 1974-1976

E = Enrollment G = Graduates

	MR		BA		AC		LS		MS		ST		OS	
	E	G	E	G	E	G	E	G	E	G	E	G	E	G
Com.Col.* & Tech. Insti.	0	0	740	222	0	0	0	0	0	0	0	0	175	52
Sr.Coll.	0	0	0	0	0	0	0	0	0	0	0	0	10	4
Bus. Sch.	336	101	0	0	83	25	0	0	0	0	28	8	105	32
Combined Totals	336	101	740	222	83	25	0	0	0	0	28	8	290	88

*Source: North Carolina Department of Community Colleges Enrollments, 1975-1976.

Table 4-3A

Average Annual Demand, 1974-1985

	MA	AB	LS	MS	ST	OS
*	222	40	6	6	10	294
Graduate Supply (Combined Totals, G, Above)	323	25	0	0	8	88
Surplus (+), Deficit (-)	+101	-15	-6	-6	-2	-206

*Source: North Carolina Community College System Strategic Plan, 1975-1985

In the Legal and Medical Secretarial areas none of the four institutions has been enrolling any students to supply the demand while in the Stenographic area only the business schools have been enrolling students and supplying enough graduates to nearly meet the annual demand. In the Other Secretarial area the two business schools have been supplying about 35 percent of the graduates and ten percent of the annual demand while the technical institutes have been supplying about 60 percent of the graduates and 20 percent of the demand in Region B. The one senior college has been graduating about six percent of the total supply. A comparison of the Other Secretarial enrollments in the four institutions shows that the technical institutes have been steadily increasing enrollments in the area while enrollments at BS1 and 2 have either remained stable or declined.

A. Institutional Characteristics of BS1 and BS2

Between 1975 and 1976 the enrollment of BS1 declined about 30 percent while that of BS2 declined only about three percent.

BS1 is accredited as a junior college of business by the Accrediting Commission of the Association of Independent Colleges and Schools and is licensed to grant Associate degrees in Accounting and Secretarial Science. Certain of these credits are transferable to some 4-year institutions in the area. Financial assistance is available to students in the form of Federal and State programs and private loans and scholarships. Tuition, $20/quarter hour, falls below the state average for business schools, $22.89/quarter hour. The average full-time enrollment in 1976 was 249.

The school, which is situated between the Smokey and Blue Ridge Mountains in Asheville, was established in 1930 by the same family which presently (1977) holds ownership. The school's facilities, which the researcher visited in downtown Asheville, reflect the style of the 1930s; there have been some attempts at modernization such as in the library. A variety of liberal arts courses were added in 1975 to meet Associate degree requirements. BS1 has offered no evidence of conducting needs surveys in the community or systematic planning for the future.

BS2 was founded in 1901 in Asheville and is in its fourth ownership. The school offers seven of the same programs offered at BS1 but does not offer the Medical or Legal Secretarial curriculum. Like BS1 it is accredited by the AICS as a junior college of business and is also licensed to grant Associate degrees in Accounting, Secretarial Science, and Management-Marketing. Credits earned in these programs are transferable to at least one 4-year college in the area and BS2 is actively seeking to expand the transferability of its credits. Student aid is available in the form of four Federal programs. Tuition is $30/quarter hour and the average full-time enrollment in 1976 was 300. The school publishes a student newspaper monthly as one of its major student activities. BS2 recognizes academic and leadership excellence among its students by presenting numerous awards to them at the end of the academic year. Course offerings include a variety of liberal arts subjects such as college mathematics, history, literature, and political science. The school is actively seeking further accreditation by the Southern Association of Colleges and Schools and has reported conducting a training needs survey of local businesses and industries during the period, 1974-1976; it has offered some evidence of systematic planning for future markets.

B. Institutional and Market Evaluation

The same family has successfully operated BS1 since 1930, keeping its tuition below that of the nearest competing business school, BS2, and also below the state average for business schools. It has paid the price of initial accreditation and degree licensure to qualify its programs for Veteran training and has undergone considerable growth, 120 percent, 1972-1975, as a result of it. At BS1 the programs which attract Veterans have expanded greatly while the Secretarial programs have sustained about the same enrollments as they did in 1972 or have declined in certain instances to almost nothing; this reflects the emphasis which has been placed upon Veteran recruiting efforts.

BS2 sustained a 1976 enrollment 20 percent larger than that of BS1. Its largest enrollment in 1975 was in Marketing-Management, a program which generally attracts large numbers of Veteran students in contrast to the Accounting and Secretarial Science programs. The school reported a three percent decline in enrollment between 1975 and 1976; considering the fact that it reported graduating an annual average of 120 students, BS2 had to recruit at least that many to sustain such a small loss, only three percent. At the same time BS1 reported a decline of about 30 percent which was of the magnitude of its 1976 graduating class of about 100 students; the school was unable to replace its graduation losses. In view of the fact that the tuition rate at BS1 is one-third lower than that at BS2 and that both schools are recruiting Veterans from the same market, the researcher has found the relative change in enrollments, 1975-1976, to be a significant indicator of a problem at BS1. Such a significant change in one school's enrollment without a comparable change in the other one almost down the street from it, competing for the same market, is unlikely by chance or accident. Rather it is indicative of a competitive edge on the part of BS2 over BS1.

The researcher has been cautious in attempting to identify institutional differences which explain differences in competitive capabilities in the same market. Searching for an explanation should not be confused with a definitive explanation. A comparison of the school catalogs reveals the presence of more in-depth explanation of academic policy and standards at BS2 than at BS1. The standard which must be met by students to remain free of probationary status is considerably higher at BS2 and more awards are available to students who demonstrate academic excellence at BS2. Although the existence of this type of catalog documentation does not prove the existence of such real standards in practice, it does suggest a stronger commitment to academic standards. Furthermore, BS2 is attempting to secure Southern Association accreditation of its programs and broader transferability of credits from these programs to 4-year institutions. It has indicated an interest in utilizing training needs surveys to evaluate and update curricula to keep them in line with community needs.

In view of the fact that the two technical instiutes have not been supplying graduates in the Accounting area, BS1 and 2 are without competition and alone have the opportunity to supply graduates commensurate with the annual demand. Both schools could profit from increased efforts in the area, taking advantage of the gap left by the technical institutes' absence of effort in the area. The Legal and Medical Secretarial areas, as well, present an open market and unmet demand for the business schools to supply; however, since BS2 does not at present offer either curriculum, BS1 is without competition and with a unique opportunity. The technical institutes have also left the Stenographic area to the business schools which can continue without competition to supply the demand. The greatest opportunity, however, for BS1 and 2 exists in the Other secretarial area with a 70 percent deficit and where the business schools have shown a decline in contrast to the gains of the technical institutes. The annual deficiency of around 200 offers to BS1 and 2 their greatest opportunity to increase enrollments. In order to satisfy the unmet demand each of the four schools would need to enroll an additional 170 students annually in the Other Secretarial curricula; this would produce enough graduates to close the job gap. All four institutions are not likely to recruit such equal shares of the market and so those with greater capabilities should reap greater shares and add considerably to their total enrollments.

The available data on the four instituons competing within Region B warrants the following conclusions: that the four have not been supplying the annual demand for training in the Accounting-Bookkeeping, Legal and Medical Secretarial, and Other Secretarial areas; that in the absence of competition from the technical institutes in the Accounting, and Legal and Medical Secretarial curricula, BS1 and 2 have an open market to recruit and add a few additional students to their enrollments in these areas; that the large gap in the Other Secretarial area offers them the greatest opportunity to offset annual losses which are inevitable in their Marketing-Retailing and Business Administration curricula as the number of eligible Veterans declines; that BS1 should take a very close comparative look at what has been happening at BS2 in an attempt to understand its stability in the wake of its own inability to replace graduation losses; that BS1 could consequently take positive steps to enhance its competitive capability relative to BS2 and therefore its ability to survive in the market; that either BS2 or both BS2 and BS1 together, assuming that BS1 survives the competition, are capable of sustaining combined total enrollments of 300 to 400 students through 1985 in competition with the technical institutes if improvements continue to be made as characteristic of BS2.

Schools and Markets Within Planning Region C

Within Region C there has been a 30 percent surplus in the Management-Administration area which means that about 25 percent of the graduates from the related curricula are not likely to use their training in the Region unless they are already working in Management-Administration. See Tables 4-4 and 4-4A. There has existed a 60 percent deficiency within the Other Secretarial area within Region C and an examination of enrollments at the four competing institutions, Isothermal Community College, Cleveland County Technical Institute, McDowell Technical Institute, and BS3 reveals that only Isothermal Community College and Cleveland County Technical Institute have registered significant steady increases in the Other Secretarial curricula. The three public institutions have been supplying about 90 percent of the graduates and 40 percent of the annual demand for that training within Region C.

Table 4-4

Average Annual Enrollment and Graduate Supply, 1974-1976

E - Enrollment G - Graduates

	MR		BA		AC		LS		MS		ST		OS	
	E	G	E	G	E	G	E	G	E	G	E	G	E	G
Com.Col.* & Tech. Insti.	0	0	566	170	74	22	0	0	36	11	0	0	160	48
Sr.Col.	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bus. Sch.	0	0	0	0	0	0	0	0	0	0	0	0	5	5
Combined Totals	0	0	566	170	74	22	0	0	36	11	0	0	165	53

*Source: North Carolina Department of Community Colleges Enrollments, 1974-1976

Table 4-4A

Average Annual Demand, 1974-1985

	MA	AB	LS	MS	ST	OS
*	130	23	6	6	6	133
Graduate Supply (Combined Totals, G, Above)	170	22	0	11	0	53
Surplus (+), Deficit (-)	+40	-1	-6	+5	-6	-80

*Source: North Carolina Community College System Strategic Plan, 1975-1985

Deficiencies have also existed in the Legal Secretarial and Stenographic areas because none of the four schools have been enrolling students in these curricula. BS3 alone offers the Stenographic curriculum but on the other hand is the only one of the four which does not offer the Legal Secretarial curriculum. A surplus has existed in the Medical Secretarial area; the only school which has been enrolling students and supplying graduates in this curriculum is Cleveland County Technical Institute although all three public schools offer the program.

A. Institutional Characteristics of BS3

BS3 was founded in Shelby, about 60 miles west of Charlotte, in 1945 and has had only two owners since then, the last beginning in 1955. It is not accredited although approved to train Veterans. No financial aid is available to students who enroll in any of the four curricula requiring 9-12 months training. The tuition is $7.50/quarter hour, the lowest for business schools in the State and the average full-time enrollment in 1976 was five. The academic program which consists of a total of 16 courses contains no liberal arts subjects.

B. Institutional and Market Evaluation

Cleveland County Technical Institute and BS3 are located in Shelby and the other two competing institutions are within 50 miles of them. BS3 has not been competitive with the other three in any curriculum. The owner-manager of BS3 has apparently not been interested in expanding its enrollments to develop into a viable business school; there is no indication that she has any intentions of recruiting more students to eliminate the deficiencies in the Stenographic and Other Secretarial training which have existed within Region C although both programs are offered at BS3. The public sector can close the job gaps in these two areas and also in the Legal Secretarial area while BS3 remains non-competitive and an existing business school by North Carolina legal definition only.

Schools and Markets Within Planning Region F

Within Region F surpluses exist in the Management-Administration and Legal and Medical Secretarial areas while deficiencies of about 50 percent and 75 percent exist in the Accounting-Bookkeeping and Other Secretarial areas respectively. See Tables 4-5 and 4-5A. A deficiency also exists in the Stenographic area. The surplus in the Management-Administration area has resulted to a great extent from heavy Veteran enrollments in the Marketing-Retailing and Business Administration curricula. About 15 percent of the graduates from these curricula within Region F should not be able to make use of their training unless they are already employed in the field. A comparison of Accounting enrollments within the 10 competing institutions, Gaston College, Central Piedmont Community College, Rowan Technical Institute, Stanly Technical Institute, Mitchell Community College, BS4, BS5, BS6, BS7, and BS8 reveals that only Rowan Technical Institute has been enrolling students in the curriculum since 1974. The technical institutes and community colleges have been supplying about 65 percent of the Accounting graduates or 35 percent of the annual demand; the business schools have been supplying only 15 percent of that demand within Region F.

Table 4-5

Average Annual Enrollment and Graduate Supply, 1974-1976

E = Enrollment G = Graduates

	MR		BA		AC		LS		MS		ST		OS	
	E	G	E	G	E	G	E	G	E	G	E	G	E	G
Com.Col.* & Tech. Insti.	118	35	2721	816	265	80	163	49	195	59	0	0	942	283
Sr.Col.	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bus. Sch.	202	61	527	158	137	41	0	0	0	0	16	5	397	119
Combined Totals	320	96	3248	974	402	121	163	49	195	59	16	5	1339	402

*Source: North Carolina Department of Community Colleges Enrollments, 1974-1976

Table 4-5A

Average Annual Demand, 1974-1985

	MA	AB	LS	MS	ST	OS
*	927	228	36	33	9	1493
Graduate Supply (Combined Totals, G, Above)	1070	121	49	59	5	402
Surplus (+), Deficit (-)	+143	-107	+13	+26	-4	-1091

*Source: North Carolina Community College System Strategic Plan, 1975-1985

In the Other Secretarial area only BS7 has shown significant increases in annual enrollments and graduates since 1974; however, the five business schools as a group have been supplying only about 30 percent of the graduates or about 10 percent of the annual demand since 1974. The community colleges and technical institutes have been supplying about 20 percent of that demand.

A. Institutional Characteristics of BS4, 5, 6, 7, and 8

BS4, located in Charlotte in the Merchandise Mart, is not accredited nor approved to train Veterans. Among the five curricula which the school offers is Interior Design, unique among the business schools of North Carolina. The school is not licensed to grant degrees nor does it have Federal assistance available to its students. It has not offered any evidence of surveying local businesses or planning for future markets. Its tuition rate is $28/quarter hour and the average full-time enrollment in 1976 was 250.

BS5 was founded in Charlotte in 1948, became the property in 1972 of a 4-year college located in Florida, and was purchased in 1977 by its third owner, a business school executive who owns four other business schools in the State. It is accredited as a junior college of business by the AICS and is licensed by the Board of Governors of the University of North Carolina to grant Associate degrees in six curricula including Marketing, Management, Accounting, and Secretarial Science. Three 4-year institutions transfer credits from all curricula although the administration of BS5 is not actively seeking to extend that transferability to other senior institutions. Financial assistance is available to students in the form of four Federal programs. Tuition is $25/quarter hour and the average full-time enrollment in 1976 was 125 although the school's facilities can accommodate 1,000 students. The administration at BS5 has indicated that it has never conducted a training needs survey and that one would be of little value to it.

BS6, which is located in Gastonia, just outside of Charlotte, was also founded in 1948, became the property of the same 4-year college as BS5 in 1972, and was subsequently purchased in 1977 by the same businessman who purchased BS5. Its curricula are identical to those of BS5. BS6 has the same accreditation and degree licensure as BS5 and is also not seeking to further expand the transferability of its credits. All evidence indicates that BS6 displays the same mode of operation and characteristics as BS5; however, it sustained an average full-time enrollment in 1976 of only 75.

BS7 was founded in Charlotte in 1901 as the first independent business school in North Carolina. The school has had four owners, the most recent in 1970. It is accredited by the AICS as a junior college of business and licensed by the Board of Governors of the University of North Carolina to grant the Associate degree in one curriculum, Management. Three 4-year institutions transfer some of its credits although the administration is not trying to extend that transferability. Student aid is available through three Federal programs and from the school by competitive exam. The tuition rate is $25/quarter hour with a mandatory deposit of $200 before acceptance. The campus consists of four buildings including a dormitory for 150 women. A varied offering of 40 management courses covers a wide scope not to be found in the curricula of any other business school in the State. The average full-time enrollment in 1976 was 500; this represented a 45 percent increase over 1975. BS7's administration has reported that it surveyed 50 businesses and industries during the period, 1974-1976, to determine training needs in the supervisory area. It has offered further substantial evidence of future planning by describing a written planning document which concentrates on financial goals and how strengths can be utilized and weaknesses eliminated.

BS8 was founded in Salisbury in Rowan County in 1917 by a woman entrepreneur. An associate of the entrepreneur and long-time teacher in the school assumed ownership in 1945 upon the founder's death. A businessman and his wife purchased the school in 1959 and operated it until 1973 at which time they sold it to its latest owner. BS8 is accredited as a business school by the AICS but is not licensed to grant Associate degrees. Student aid is available in the form of four Federal programs. The tuition rate, $20/quarter hour, falls below the state average for business schools and the average full-time enrollment in 1976 was 75. The computed and reported student to faculty ratio in 1976 was 15:1, the lowest among business schools in the State. The school has placed emphasis on the academic counseling which is personally conducted by the Dean of Instruction who is also the President and owner of the school. BS8 offers five curricula requiring six months to one year completion time; none of its credits have been accepted by senior institutions. The administration has reported that it has never conducted training needs surveys although it considers them to be of considerable value in institutional planning; it went on to indicate that planning is conducted on a day by day, hour by hour basis.

B. Institutional and Market Evaluation

Four of the 10 institutions competing in the market within Region F are located in Charlotte and three of these four are business schools, BS4, 5, and 7; the researcher has considered it meaningful to look initially at BS4, 5, 7, and Central Piedmont Community College as competitors operating within a submarket, the immediate Charlotte area. Likewise the researcher has chosen to look at the two competitors, Gaston College and BS6, both located approximately 40 miles west of Charlotte, as another competitive submarket of the larger Region F market. Rowan Technical Institute, Mitchell Community College, and BS8, all located in the Salisbury area about 60 miles northeast of Charlotte, have been studied initially as competitors in a third submarket of the Region. The researcher has found it meaningful to look at the relative curricula enrollments at schools situated within close proximity of each other to discover any patterns which exist in the competitive relationship. The researcher has remained continually aware of the fact that other research such as Hyde's has indicated that students who see no significant difference in the quality of instruction in parallel programs offered at the community college and the business school will enroll in the community college instead of the business school (99:130).

A comparison of enrollments within the four schools in the Charlotte area reveals that the business schools have been competitive with the community college only in the Marketing-Retailing and Accounting curricula. In the Business Administration and Other Secretarial curricula the community college enrollments have been two to four times larger than the combined enrollments of all of the business schools. None of the business schools has developed Legal and Medical Secretarial or Stenographic programs.

Within the Gastonia area, BS6 has been competitive with Gaston College only in the Marketing-Retailing area. In all other parallel curricula the community college enrollments have been two to three times larger. BS6 has not developed Legal and Medical Secretarial or Stenographic programs.

Within the Salisbury area, BS8 has been competitive with the community college and technical institute in the Accounting, Other Secretarial, and Stenographic areas; however, BS8 has offered no competition whatsoever in the Marketing-Retailing, Business Administration, or Legal and Medical Secretarial areas because it has failed to develop these programs.

BS4's location in the Merchandise Mart in Charlotte and its emphasis upon fashion and interior design attribute uniqueness among the business schools in North Carolina. The administration of the school has not deemed it necessary to acquire accreditation or seek approval to recruit Veterans. Its uniqueness, not a small part of which is its strategic location, is the reason for its past success and survival and its major foundation for survival in the market of the 80s. Because of this unique position the school does not draw all of its major support from the same market as do BS5, 7, and the community college within the Charlotte area; however, with the fashion and interior design enrollment as a solid base, BS4 has the opportunity to expand its enrollment by recruiting more students for its Accounting and Other Secretarial programs in an effort to help reduce the 50 and 75 percent deficiencies in these areas.

BS5 has the facilities to accommodate 1,000 students and the academic credentials and programs to attract them. While it has been competitive with BS7 in recruiting students into its Accounting curriculum, it has not shown the same competitiveness in enrolling students into its Other Secretarial programs. BS6 like BS5 has not been competitive with the nearby community college in enrolling students in either the Accounting or Other Secretarial programs. The school possesses the same academic credentials and offers the same curricula as BS5 but also like BS5 it has not competed effectively with the community college in the Veteran market. This lack of competitiveness in the Veteran market may point to serious institutional weaknesses such as the recruiting and admissions process. BS6 like BS5 should take a look at what its competitor or competitors have been doing to successfully recruit inside and outside the Veteran market. The central management of BS5 and BS6, until the ownership change in 1977, has been located outside the locus of operations and in Florida. Dickinson's research on the business schools in North Carolina has indicated that ownership change stimulates a temporary enrollment increase within schools (62:1-3); (60:3-4); the new local ownership of BS5 and 6, located nearby in Charlotte, has proven itself successful in other schools in recruiting the Veteran market and it may make a difference in the competitive capabilities of the two schools. BS6, like BS5, has the opportunity to strengthen its enrollment by recruiting and training students to fill the large unmet demand in the Accounting and Other Secretarial areas.

BS7, competing in the Charlotte area with BS4, 5, and Central Piedmont Community College, has demonstrated greater competitive capability then the other two business schools; it registered an unusually high increase in enrollment, 45 percent, between 1975 and 1976, distinguishing itself within Region F. It has proven itself the strongest competitor in relation to the community college in the Veteran and non-Veteran markets. It is licensed to award the Associate degree in only one curriculum in contrast to the six degree programs licensed at BS5 and 6, but it has the distinction of having been founded in 1901 as the State's first independent business school. It also offers the widest selection of management courses to be found in any business school in North Carolina. Like the other business schools within Region F, BS7 has the opportunity to further augment enrollments by taking advantage of the job gap in the Accounting and Other Secretarial areas by recruiting additional students in these curricula.

BS8, which has been in competition with Rowan Technical Institute and Mitchell Community College, has proven to be competitive in the Accounting and Other Secretarial areas. It has the lowest tuition rate and student to faculty ratio of any business school within Region F. Enrollments in BS8 in the Accounting and Other Secretarial curricula paralleled those at the technical institute and community college in 1976. Although BS8 does not offer Marketing-Retailing or Business Administration, it has been the only one of the three competitors in the Salisbury area to train students in the Stenographic curriculum. In the judgment of the researcher there is evidence to idnciate that the administration of BS8 has shown commitment to academic quality in its programs better than average for the business schools of the State. It is apparent that the school has placed emphasis in its recruitment operation upon the Accounting and Other Secretarial programs where it has competed effectively with its nearest competitors in the public sector; BS8 therefore has a sound foundation in these curricula, one upon which to further build enrollments and reduce the large deficit in these areas. BS8 has not provided any competition in the Marketing-Retailing, Business Administration, and Legal and Medical Secretarial curricula because it has not developed curricula in these areas.

If the 10 institutions within Region F recruited equal shares of the student market to close the gap in the Accounting area, each one would necessarily have to enroll on the order of about 35 more students than it has been to be able to graduate annually enough additional students to close the gap. In the Other Secretarial area, each one would have to enroll annually about 365 more students than it has been to produce sufficient graduates to fill the gap. For all of the business schools in Region F with the exception of BS7 such an annual increment would increase their total enrollments by several times what they have been, 1974-1976. As the researcher has previously indicated certain of the business schools have shown greater capability than others to take advantage of such an opportunity; however, the opportunity created by the unmet demand in the Accounting and Other Secretarial areas is open to all of them. Certain of the 10 competing schools, if they recognize the opportunity and act, will likely recruit far more than their indicated fair share of the market while others will fall far short of theirs.

The data available on the 10 competing institutions within Region F enables the researcher to draw the following conclusions: that the 10 have not been supplying the annual demand in the Accounting-Bookkeeping and Other Secretarial areas; that by recruiting only equal shares of the market for this training in Region F, BS4, 5, 6, 7, and 8 would multiply their total enrollments characteristic of the period, 1974-1976; that BS4 has operated somewhat outside the competitive framework because of its uniqueness; that BS5 and 6 have had a serious problem in their inability to compete effectively with their neighboring community college; that their administrators and owners should look closely at what they have not been doing in relation to what BS7 has been doing to compete effectively inside and outside the Veteran market; that with average full-time enrollments in 1976 of only 125 and 75 respectively, BS5 and 6 must make immediate improvements in their competitive capabilities in relation to the community colleges and BS7 if they are to survive in the market, 1980-1985; that BS7 has demonstrated the greatest competitive capability of all the business schools within Region F; that BS8 has been competing effectively with its nearest competitors in the public sector in three of the seven parallel curricula; that BS4, 7, and 8 have shown evidence of the competitive capability necessary for survival in the market of Region F, 1980-1985.

Schools and Markets Within Planning Region G

A surplus exists within Region G in the Medical Secretarial area while there are small deficiencies within the Management-Administration and Accounting-Bookkeeping areas. See Tables 4-6 and 4-6A. A very large deficit of about 80 percent exists in the Other Secretarial area. About 40 percent of those trained as Medical Secretaries are not likely to utilize their specialized training within Region G unless they are already employed in that capacity. Two community colleges, two technical institutes, and two business schools have been supplying graduates in the Legal Secretarial area, meeting only about 40 percent of the annual demand; four of the six schools have been registering decreases in these enrollments since 1974. A similar comparative examination of Other Secretarial enrollments at the 14 competing institutions, Davidson County Community College, Forsyth Technical Institute, Guilford Technical

Institute, Randolph Technical Institute, Rockingham Community College, Surry Community College, Technical Institute of Alamance, Elon College, BS9, 10, 11, 12, 13, and 14, reveals that there have been steady significant increases since 1974 at only two of them, Forsyth Technical Institute and Rockingham Community College.

Table 4-6

Average Annual Enrollment and Graduate Supply, 1974-1976

E = Enrollment G = Graduates

	MR		BA		AC		LS		MS		ST		OS	
	E	G	E	G	E	G	E	G	E	G	E	G	E	G
Com.Col.* & Tech. Insti.	69	21	2104	631	523	157	24	7	122	37	0	0	680	204
Sr.Col.	0	0	0	0	0	0	0	0	0	0	0	0	53	18
Bus. Sch.	81	24	694	208	227	68	25	8	68	20	37	11	332	100
Combined Totals	150	45	2798	839	750	225	49	15	190	57	37	11	1065	322

*Source: North Carolina Department of Community Colleges Enrollments, 1974-1976

Table 4-6A

Average Annual Demand, 1974-1985

	MA	AB	LS	MS	ST	OS
*	933	235	40	35	11	1514
Graduate Supply (Combined Totals, G, Above)	884	225	15	57	11	322
Surplus (+), Deficit (-)	-49	-10	-25	+22		-1192

*Source: North Carolina Community College System Strategic Plan, 1975-1985

In the Legal Secretarial curriculum the community colleges and technical institutes have been supplying about 50 percent of the graduates and about 20 percent of the annual demand within Region G; the business schools have likewise been supplying about 20 percent of the annual demand. In the Other Secretarial curricula the community colleges and technical institutes have been supplying about 65 percent of the graduates and 15 percent of the demand while the business schools have been providing about five percent of the annual demand within Region G. The senior college has supplied about five percent of the Other Secretarial gradutes within Region G.

A. Institutional Characteristics of BS9, 10, 11, 12, 13, and 14

BS9, founded in Asheboro in 1949, has had three owners, the last taking over in 1964. It is accredited by the AICS as a junior college of business and is licensed to award Associate degrees in Business Administration and Secretarial Medical. All AICS accredited senior institutions accept credits from all curricula and some other 4-year schools do so on a limited basis according to the administration at BS9; it is actively seeking to expand the transferability of its credits. Student aid is available through four Federal programs. Tution is $25/quarter hour and the average full-time enrollment in 1976 was 220. BS9 has seven curricula available for selection by its students who are provided with counseling by three trained professionals. The school has maintained a Board of Advisors consisting of community educators, professionals, and industrialists. The administration reported that it had conducted a needs survey of local business sometime during the period, 1972-1977 and there is considerable evidence to indicate that it has planned for its market in the 80s.

BS10 was founded in Thomasville, about 25 miles north of Asheboro, in 1939 and has had three owners, the last one beginning in 1977 and also the owner of BS9. Accredited by the AICS as a one-year business school, it has made student aid available through four Federal programs. Although not licensed to grant Associate degrees, it offers nine curricula requiring a year or less completion time. The tuition rate is $25/quarter hour with a mandatory deposit of $50 before acceptance. The average full-time enrollment in 1976 was about 50 Secretarial students.

The owner and President of BS9 and 10 is a professional with graduate training in business education and a recognized leader among the business school administrators of North Carolina. She has demonstrated in her operations and documented in her school bulletins a strong emphasis upon academic quality in her schools and excellence in the academic and business performance of her students.

BS11, located in Winston-Salem, was founded in 1924 by a proprietor from Tennessee. The owner of the school was a former instructor who purchased it in 1945. The school is not accredited nor licensed to grant degrees although it is approved to train Veterans. No Federal or other assistance is available to students who can enroll in any of 10 programs. BS11 has retained many of the business courses such as penmanship typically offered by commercial colleges in the 30s and 40s, and the interior of the school reflects its traditional approach to business education. The tuition, $8/quarter hour, is slightly more than 1/3 of the State's average among business schools, $22.89. BS11 sustained an average full-time enrollment in 1976 of 200 students. The administration boasts of a statewide reputation for training Certified Public Accountants who are reportedly numerous among its graduates. The administration has indicated that it has never conducted a training needs survey although it believes them to be an indispensable tool for future planning; there is no evidence that BS11 has done any planning for the market of the 80s.

BS12 was founded in Greensboro in 1972 by the owner of four other business schools in the State. It is accredited as a junior college of business by the AICS and licensed to grant the Associate degree in four curricula. Two senior institutions transfer Accounting and Management credits although the administration is not seeking to expand the transferability of its credits. Financial assistance is available to students in the form of four Federal programs. Tuition is $30/quarter hour and the average full-time enrollment in 1976 was 560 students. The school has relied very heavily upon Veteran enrollment, at least 90 percent of the total, for its growth and survival. Partly as a result of this, it has been subjected to numerous government inspections, some of which have revealed serious financial and record keeping problems. Consequently, instability has characterized the administration and enrollment of the school, lowering the morale of its personnel and its reputation .

in the Greensboro community. BS12 has never conducted a training needs survey and there is no evidence to indicate any planning for the market, 1980-1985.

BS13 was founded in High Point in 1968 by three sisters who comprise its administration and total faculty. It is not accredited although approved to train Veterans. Student assistance is available only in the form of funds from a private lending foundation. Tuition is $15/quarter hour, well below the State average for business schools, and a $15 deposit is mandatory for acceptance. The average full-time enrollment in 1976 was about 50 Secretarial students who enrolled in either of the two diploma programs. The administration has offered no evidence of conducting training needs surveys or planning for future markets.

BS14 is located in Winston-Salem and was founded in 1962 by two partners, one of whom is the latest owner and President. It is accredited as a junior college of business by the AICS and licensed to award Associate degrees in six curricula. Its credits in several curricula are transferable to three senior institutions and the administration is actively seeking to extend that transferability through discussions with admissions officers at area schools. Four Federal programs provide assistance to its students who have a selection of seven degree, seven diploma, five certificate, and five special programs in which to enroll; this represents the greatest number and variety of curricula offered by any business school in the State. The Business Career Aptitude Test, given to all prospective students, provides a basis for guiding each student effectively through an appropriate curriculum, according to the administration at BS14. The tuition is $20/quarter hour with a mandatory deposit of $50 before acceptance. Business, fashion, and foreign country tours have been conducted on a regular basis for the benefit of BS14's students. On campus there is a dormitory facility for housing women students. The average full-time enrollment in 1976 was 200. The administration has reported that it used a questionnaire within the period, 1972-1977, to survey local businesses on their use of computers and computer-trained employees for the purpose of deciding whether or not to lease an in-house computer for training students; the school has offered substantial evidence of a high degree of planning for future needs, especially in the areas of equipment and personnel.

B. Institutional and Market Evaluation

Three of the 14 institutions competing within Region G are located in Winston-Salem; they are Forsyth Technical Institute, BS11, and BS14. The researcher has made a comparative examination of the enrollments in these schools which are competing within Winston-Salem, a submarket of the larger Region G. The two business schools, BS11 and 14, have been competitive with the technical institute in all parallel curricula; in fact, the business schools alone have had enrollments in four curricula, Accounting, Legal and Medical Secretarial, and Stenographic. In all parallel curricula, the combined enrollments of the two business schools have not differed significantly with those of the technical institute since 1974.

Five of the 14 schools are located within the Greensboro area and can be examined as another submarket; they are Guilford Technical Institute, Technical Institute of Alamance, Elon College, BS12, and BS13. Comparative examination of enrollments within these five reveals that BS12 has been competitive with the technical institute in the Business Administration and Other Secretarial curricula. The technical institutes have offered no competition whatsoever in the Marketing-Retailing and Stenographic areas; on the other hand the business schools have not been competitive in Accounting and have offered no competition at all in the Legal and Medical curricula.

Four of the 14 schools within Region G are located in a third area containing the cities of Asheboro, Lexington, and Thomasville which form a triangle, 25 miles on a side, and can be examined as a third competitive subsystem of Region G; they are Davidson County Community College, Randolph Technical Institute, BS9, and BS10. Examination of the enrollment in these four schools indicates that BS9 has been competitive with the community college and technical institute in the Accounting and Other Secretarial curricula. The community college and technical institute have offered no competition at all in the Medical Secretarial and Stenographic curricula; on the other hand the business schools have offered no competition in the Marketing-Retailing, Business Administration, and Legal Secretarial curricula.

Surry and Rockingham Community Colleges are located at such considerable distances from the other three systems and from each other that their isolation precludes inclusion in the comparative examination of enrollments; however, they have sustained significant enrollments in the Business Administration and Other Secretarial curricula.

BS9 and 10, owned and managed by a woman professional with strong academic credentials, possess the institutional characteristics for competing effectively with the neighboring community college and technical institute in the market of the 80s. Indeed, BS9 has been demonstrating its ability to compete with its neighbors in the Accounting and Other Secretarial areas where it has shown small but steady increases since 1971. With their strong academic leadership and professional management, BS9 and 10 are unusually well prepared to greatly augment their enrollments in the Other Secretarial curricula by recruiting to fill the vast job gap in that area.

BS11, steeped in and retaining many of the traditions of business school education, has established itself as a leading supplier of Accounting graduates. It has proven its competitiveness with the public sector over the course of its long business career; in the recent past, however, it has not been recruiting in the Business Administration or Secretarial curricula on a level commensurate with its potential. BS14 and the technical institute have been steadily moving ahead in the Marketing-Retailing and Business Administration areas while BS11 has been progressing only very slowly. Lack of accreditation, licensure to grant degrees, and awareness of a need for modernization of the physical plant and programs of instruction is increasingly becoming a serious hindrance to its competitive capability and survival in the market. The researcher has found that the comparative enrollments within the Winston-Salem area and the larger Region G indicate that it is unlikely that BS11 will be able to survive in the market, 1980-1985, without some modernization. Without an increase above the $8/quarter hour tuition rate, BS11 cannot likely afford the needed modernization.

BS12's almost exclusive dependence upon the Veteran market, its administrative instability, and its much publiczed difficulties with the Veterans Administration have greatly weakened its competitive capability in the market of the Greensboro area. The school may have an opportunity to compensate for its veteran losses by concentrating its recruiting efforts in the Other Secretarial area; however, the reduced internal morale and external image in the community make it unlikely that it will succeed and survive with its 1977 ownership and leadership in the market of the 80s.

BS13, a young school like BS12 although much smaller and with a very narrow curricula selection for students, has the opportunity to expand its offerings to include longer, more intensive training or 2-year programs which could attract more Secretarial students. If BS12 fails to recover from its setbacks, then BS13 could become the only competitive school of its kind in the Greensboro area. Considering that the two technical institutes have not shown a pattern of significant increases in their Secretarial curricula BS13 could seize the lead and develop into a viable business school.

BS14 experienced a drastic drop in enrollment, from 819 to 428, between 1975 and 1976, a 48 percent decline; most of this decrease occurred in the Business Administration curriculum, a drop of 286 for the same period. This decline in Business Administration reflected a loss of Veteran students. During the same period, Forsyth Technical Institute registered an uncharacteristically large increase in its Business Administration enrollment; although the researcher does not have sufficient data to determine whether the changes represent related losses and gains, the possibility does exist. During the same period BS14 also experienced losses in the Other Secretarial curricula. With a tuition rate, $20/ quarter hour (below the average), solid academic credentials, the most varied selection of curricula among business schools in the State, and other positive characteristics, it is difficult to understand the drastic enrollment drop in Business Administration which accounted for about 75 percent of the total loss. BS14 must correct whatever difficulties have existed to bring about such a drastic change. BS14 has an opportunity like the other business schools within Region G to compensate some of its losses by recruiting and training students for the large surplus of openings in the Other Secretarial field.

If each of the 14 institutions competing within Region G recruited equal shares of the student market to close the job gap in the Other Secretarial area, each one would necessarily have to enroll about 285 more students than it has been to be able to graduate annually enough additional students to close the gap. This annual increase would more than compensate for Veteran losses in the business schools which have been heavily dependent upon that market and it would multiply the total enrollments of the other business schools. Certain of the business schools in Region G, because of the quality of their institutional characteristics, are more capable than others to take advantage of the opportunity. It is likely that some of the 14 schools will recruit more than their individual fair share of the Other Secretarial market while others are likely to recruit far less than theirs.

The data available on the 14 competing institutions within Region G warrants the researcher's following conclusions: that the 14 schools have not been supplying the annual demand in the Other Secretarial area; that the job gap in the area presents an opportunity for BS9, 10, 11, 12, 13, and 14 to significantly increase their enrollments by closing that training gap; that those schools which offer Legal and Medical Secretarial curricula, BS9, 11, 12, and 14, should place greater emphasis on the Legal program than upon the Medical in order to eliminate the 40 percent surplus in the one and the 60 percent deficit in the other; that BS9, 11, 12, and 14 can enroll a few more students in their Business

Administration and Accounting curricula to eliminate the small deficits in these areas; that BS9 and 10 have a sound capability to compete effectively in their sub-market and within the entire Region, expanding their enrollments and surviving in the market of the 80s; that BS11 is in serious trouble without a tuition increase accompanied by much needed modernization; that BS12 is not likely to compete effectively and survive without a change in ownership enabling the evolution of a fresh image in the community; that BS13, although quite young, can with aggressive leadership mature into a viable business school if it takes advantage of the demand for Other Secretarial training; that BS14 must look for and discover the factors involved in its drastic losses and then bring its strong, positive qualities to bear in recovering those losses by expanding, for one, its Other Secretarial enrollments.

Schools and Markets Within Planning Region J

Surpluses of about 45, 55, 65, and 230 percent exist in the areas of Management-Administration, Accounting-Bookkeeping, Legal Secretarial, and Stenographic. See Tables 4-7 and 4-7A. An insignificant shortage of manpower exists in the Medical Secretarial area while a significant deficiency of about 75 percent exists in the Other Secretarial area. About 30, 35, 40, and 70 percent of those who graduate in Management-Administration, Accounting-Bookkeeping, Legal Secretarial, and Stenographic curricula repsectively are not likely to find employment in their specialties within Region J unless they already have it.

Table 4-7

Average Annual Enrollment and Graduate Supply, 1974-1976

E = Enrollment G = Graduates

	MR		BA		AC		LS		MS		ST		OS	
	E	G	E	G	E	G	E	G	E	G	E	G	E	G
Com.Col.* & Tech. Insti.	0	0	1139	342	346	104	1	0	3	1	0	0	465	140
Sr. Col.	0	0	0	0	6	5	0	0	0	0	0	0	19	16
Bus. Sch.	301	90	1397	419	409	123	159	48	99	30	110	33	474	142
Combined Totals	301	90	2536	761	761	232	160	48	102	31	110	33	958	298

*Source: North Carolina Department of Community Colleges Enrollments, 1974-1976

Table 4-7A

Average Annual Demand, 1974-1985

	MA	AB	LS	MS	ST	OS
*	581	149	29	33	10	1156
Graduate Study (Combined Totals, G, Above)	851	232	48	31	33	298
Surplus (+), Deficit (-)	+270	+83	+19	-2	+23	-858

*Source: North Carolina Community College System Strategic Plan, 1975-1985

A study of the Other Secretarial enrollments at the eight competing institutions within Region J, Central Carolina Technical Institute, Durham Technical Institute, Johnston Technical Institute, Wake Technical Institute, Peace College, BS15, 16, and 17, reveals that none of the schools has shown a pattern of steady significant increases in that curriculum. The four technical institutes have been supplying about 45 percent of the graduates or about 10 percent of the total annual demand in the Other Secretarial area within Region J. The business schools have also been supplying only about 10 percent of the annual demand while the senior college has supplied annually about five percent of the total graduates.

A. Institutional Characteristics of BS15, 16, and 17

BS15, founded in Druham in 1947 by a former high school business education teacher, became non-profit in 1957. It is accredited as a junior college of business by the AICS and licensed to grant Associate degrees in eight curricula. The administration has indicated that very few of its credits have been transferable to senior institutions but that it is actively seeking to improve that transferability. The school has applied for Southern Association accreditation and has been taking the steps necessary to secure that status. BS15 has been receiving a significant portion of its operating funds as a non-profit developing institution from Title III grants. As a part of its development planning it has established an Office of Institutional Research and Planning and has employed a full-time professional to occupy it. Consequently, there has been considerable evidence that BS15 has been conducting far more research and planning surveys than any other business school in the State.

Although the school has been a traditionally Black institution, the administration clearly understands the need for an integrated student body and has taken steps to recruit white students. The school is unique in its physical plant in that it is the only business school in North Carolina to have a campus of six buildings including two dormitories, Student Union, Physical Education and Health Building, and a Learning Resource Center. More than 90 percent of its full-time students live on campus. Financial assistance is available to students through four Federal programs and BS15 has more students utilizing this aid than any other business school in the State. The tuition rate, $44/quarter hour, is the highest among business schools in the State and almost double the State average; in addition, each student must pay additional fees for activities and other services averaging between $100 and $150. The average full-time enrollment in 1976 was 640.

BS16 was founded in Raleigh in 1924 and has had three owners, the last assuming ownership in 1975. It is accredited by the AICS as a junior college of business and licensed to award Associate degrees in seven curricula. Credits are transferable to three senior institutions in the area and the administration has indicated that it is attempting to extend that transferability through an exchange of syllabi with 4-year schools. A professionally trained counselor is available to assist students in making all types of decisions. Fraternities and sororities are the focus of student activities on campus. Four Federal programs provide financial assistance to qualified students. The tuition rate is $16.33/quarter hour, well below the State average, and a $50 deposit is required for acceptance. The average full-time enrollment in 1976 was 800 students. The administration has indicated that it has conducted a training needs survey during the period, 1976-1977, to determine what additional programs and equipment it needs for the near future.

BS17 was established in Raleigh in 1901; the third and latest owner who also owns BS5, 6, 12, and 18 took over in 1969. Becoming a non-profit institution in 1977, it is also accredited as a junior college of business and licensed to grant Associate degreees in five curricula. Many of the school's credits have reportedly been accepted at a number of senior colleges in the area; the administration has indicated that it has been taking all the necessary steps to expand that transferability. BS17 has applied for Southern Association accreditation and has been progressing rapidly toward achieving it. In addition to its main Raleigh campus the school has constructed a modern facility in Durham. The researcher has visited the Raleigh campus on numerous occasions and has become very familiar with the academic and managerial leadership of the school; the researcher has found substantial evidence of strong academic leadership and efficient business management at the school. Numerous student activities are in evidence on the Raleigh campus. Financial assistance is available in the form of four Federal programs to students who elect to enroll in any of the 13 available curricula. The tuition rate is $30/quarter hour and the average full-time enrollment in 1976 was 1,250 students divided between the Raleigh and Durham campuses.

B. Institutional and Market Evaluation

An examination of enrollments at BS15 and Durham Technical Institute, both located in Durham, shows that BS15 has been competitive with the technical institute in the Business Administration and Other Secretarial curricula while the technical institute has offered no competition in the Marketing-Retailing, Legal and Medical Secretarial, and Stenographic curricula.

A comparison of enrollments at Wake Technical Institute, Peace College, BS16, and BS17, all located in the Raleigh area, reveals that the technical institute has not been competitive with the business schools in any of the parallel curricula, enrolling no students in the Marketing-Retailing, Legal and Medical Secretarial, and Stenographic curricula. The business schools within the Raleigh area have together strongly dominated the Veteran and non-Veteran market in business training.

BS15 which experienced an enrollment decrease of about 40 percent between 1976 and 1977 largely because of difficulties with financial aid has an opportunity to recover by placing greater recruiting emphasis in the Other Secretarial area where it has not shown stable progress. With the largest number and highest percentage of students utilizing financial aid among the business schools of the State, BS15 must correct its problem in the financial aid area so that it can build its enrollment back to its previous status by recruiting disadvantaged Black students, still the primary target of its marketing operations. Its access to large sums of Title III funds for development, its full-time research and planning efforts, and its desire for an integrated student body are strengths which can improve BS15's capability for survival in the market of the 80s.

BS16 has proven its ability to sustain large enrollments in competition with the technical institute. Likewise it has sustained larger enrollments in its Other Secretarial curricula than any other competing school in the Raleigh area; BS16 with positive characteristics such as its solid academic credentials and attitude toward surveying and planning is capable of increasing its Other Secretarial enrollment still further by recruiting to close the job gap within Region J.

BS17, which also has sustained substantial enrollments in all of its curricula, is capable of further extending its enrollments in the Other Secretarial curricula. With sound leadership, newly acquired non-profit status, and commitment to improvements in such as accreditation and credit transferability, it is very likely that BS17 will continue to compete effectively in the Raleigh and Durham area and thrive in the market, 1980-1985.

If each of the eight schools competing within Region J recruited equal shares of the market for Other Secretarial training, each one would need to enroll about 60 more students than it has been to produce annually enough additional graduates to close the gap between supply and demand. It further goes without saying that it is not likely that all of the schools or even the business schools will pursue the opportunity with equal efforts; certain of the eight, recognizing the unmet demand and job openings, must make that fact known to prospective students and recruit them to change it.

The three business schools need to encourage fewer students to enter the Legal Secretarial curriculum and more to enter the Medical Secretarial curriculum. BS16, especially, should encourage fewer students to enter the Stenographic program while BS16 and 17 in particular have been contributing to the 55 percent surplus in the Accounting-Bookkeeping area and would do their students greater service by making them aware of the scarcity of jobs in that area within Region J; about 35 percent of those graduates trained in that specialty should not be able to utilize their training unless they already have employment in that area. Likewise about 30 percent of those graduating in Marketing-Retailing and Business Administration should not be able to utilize their training unless they are already employed in the field; the large majority of these are Veterans who are already employed and taking advantage of their educational benefits at the same time.

The data available on the eight schools competing within Region J warrants the following conclusions: that the schools have not been supplying the annual demand for graduates in the Other Secretarial area; that BS15, 16, and 17 have the opportunity to take advantage of the job gap by using the knowledge of such to place greater emphasis upon recruiting in that area and thereby substantially boost their total enrollments; that BS15, 16, and 17, having proven over the years their competitive capabilities in relation to their neighbors in the public sector and because of the substantial, positive qualities which characterize their operations, can continue to compete effectively and survive in the market of Region J, 1980-1985.

Schools and Markets Within Planning Region M

Within Region M surpluses of about 125 percent and 55 percent exist in the Management-Administration and Accounting-Bookkeeping areas respectively. See Tables 4-8 and 4-8A. Deficiencies exist within the Legal and Medical Secretarial, Stenographic, and Other Secretarial areas, the largest one being about 80 percent in the Other Secretarial area. Significant increases have occurred since 1974 in the Other Secretarial enrollments of all three of the competing schools within Region M, Fayetteville Technical Institute, Sampson Technical Institute, and BS18. Only BS18 has been enrolling students in the Legal and Medical Secretarial curricula while none of the three has been enrolling students in the Stenographic curriculum. The 55 percent surplus in Accounting-Bookkeeping has largely resulted from heavy enrollments and large numbers of graduates in the Accounting curriculum at Fayetteville Technical Institute. The 125 percent surplus in the Management-Administration area has resulted from heavy enrollments, largely Veterans, and large numbers of graduates in the Business Administration curriculum at all three of the institutions. About 55 percent of those students completing training in the Marketing-Retailing or Business Administration curricula and about 35 percent of those doing the same in the Accounting curricula are not likely to utilize that training within Region M unless they are already working in those fields.

Table 4-8

Average Annual Enrollment and Graduate Supply,
1974-1976

E = Enrollment G = Graduates

	MR		BA		AC		LS		MS		ST		OS	
	E	G	E	G	E	G	E	G	E	G	E	G	E	G
Com.Col.* & Tech. Insti.	52	16	1003	301	236	71	0	0	0	0	0	0	117	36
Sr. Col.	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bus. Sch.	44	13	468	140	54	16	1	0	4	1	0	0	67	20
Combined Totals	96	29	~~1471~~	~~441~~	290	87	1	0	4	1	0	0	184	56

*Source: North Carolina Department of Community Colleges Enrollment, 1974-1976

Table 4-8A

Average Annual Demand, 1974-1985

	MA	AB	LS	MS	ST	OS
*	207	56	6	6	6	253
Graduate Supply (Combined Totals, G, Above)	470	87	0	1	0	56
Surplus (+), Deficit (-)	+263	+31	-6	-5	-6	-197

*Source: North Carolina Community College System Strategic Plan, 1975-1985

The two technical institutes have been supplying about 65 percent of the Other Secretarial graduates and about 15 percent of the total annual demand for that training within Region M while BS18 has been supplying only about five percent of that total demand.

A. Institutional Characteristics of BS18

BS18 was founded in Fayetteville in 1924 and has since had three owners, the last of whom took possession in 1972 and also owns BS5, 6, 12, and 17. The school is accredited by the AICS as a junior college of business and licensed to grant Associate degrees in five curricula. BS18 has succeeded in establishing the transferability of most or some of the credits from several of these five curricula to about six senior institutions. The administration has further indicated that it is actively seeking to extend the acceptance of these credits and also that it has made plans to apply for Southern Association accreditation of its programs. Student aid is available in the form of four Federal programs to qualified students who wish to enroll in any of the school's 13 curricula. Tuition is $30/quarter hour and the average full-time enrollment in 1976 was

600. Between 1975 and 1976, BS18 experienced an enrollment drop of about 40 percent and has established an average student attrition rate of 35 percent. There is considerable evidence that the school has conducted a training needs survey during the period, 1974-1976, and has been planning revisions in its curricula to remain responsive to market demands.

B. Institutional and Market Evaluation

A comparison of enrollments at BS18 and Fayetteville Technical Institute which are both located in Fayetteville establishes that BS18 has proven itself competitive with the technical institute in the Marketing-Retailing, Business Administration, and Other Secretarial curricula. Only in the Accounting curriculum have the enrollments at the technical institute been several times larger than those at BS18; the technical institute has offered no competition whatsoever in the Legal and Medical Secretarial curricula.

The researcher has become very familiar with the development of BS18 which grew from an enrollment of about 200 full-time students in 1973 to about 1,200 sometime late in 1974; after 1974, the enrollment, always predominantly Veteran (at least 90 percent), declined slowly to about 600 in 1976. During its period of phenomenal growth, BS18 was subjected to many internal and external pressures and underwent a number of major and rapid changes, all in the process of seeking accreditation and degree licensure for the first time; because of this and the unusually high percentage of Veteran students which it recruited each quarter, the school was subjected to an average of one inspection or visit each and every month. Some of these inspections occurred simultaneously, interrupting the normal work process of the school and producing in the end a sense of instability among the administration and staff of the school. The unfavorable publicity associated with BS12 in Greensboro, previously discussed by the researcher, under the same ownership and management as BS18, affected the morale of the personnel at BS18 and somewhat damaged its image in the community. All of this precipitated major disruptive changes in the management of the school which has been struggling to recover from the setback ever since.

After a close examination of the recruitment policies and procedures at BS18, the researcher has found that the unusually high student attrition rate, 35 percent, has resulted largely from the aggressiveness of the school's recruiting behavior. During the period of rapid growth the school succeeded in maintaining respectable standards for attendance and academic work and consequently at least 35 percent of those recruited were not sufficiently willing or capable to remain in school. Being the only proprietary business school within Region M, BS18 has drawn students, largely Veterans, from communities throughout the Region and from all walks and previous academic background.

Even in the wake of severe difficulties resulting from its rapid growth, BS18 has remained competitive with the technical institute in the Marketing-Retailing, Business Administration, and Other Secretarial curricula. The major reason for this has been the relative inconvenience of scheduling class hours at the technical institutes, especially for Veterans who work eight hour days. BS18 established an evening schedule of classes to accommodate the working Veteran. It has been able to enroll Veterans on a credit hour basis rather than a clock hour basis and has therefore been able to require of the Veteran fewer hours of classroom attendance than the technical institutes.

BS18's phenomenal expansion between 1973 and 1974 compelled its administration to initiate numerous improvements within the institution. Although the strains of such rapid growth also worked in reverse, simultaneously taking their toll in staff stability and morale, BS18 has retained enough of those characteristics attributing to it the competitive capability which it has displayed since 1973 to enable it to compete effectively in the market of the 80s; however, to sustain that competitiveness its administration must be aware of and act according to the following conclusions which the researcher has found warranted by the data available on the three institutions competing within Region M: that the three have not been supplying the annual demand for Other Secretarial training; that if each institution recruited equal shares of that market to eliminate the job needs in that area, each would have to enroll about 220 more students annually than it has been to produce enough additional students to fill the demand; that BS18 has the opportunity to largely recover its losses and rebuild enrollment by making students aware of the 80 percent deficit in the Other Secretarial area, thus strengthening its recruiting efforts in those curricula; that BS18 could encourage about 20 more students annually to enter each of the three curricula, Legal and Medical Secretarial and Stenographic, in which the technical institutes have not been enrolling students; and that BS18 can remain in a competitive position relative to the technical institutes in the market of the 80s if it takes positive steps to improve its community image, stabilize its staff and faculty, and keep its curricula and course content responsive to regional demands.

The Answers to the Questions Examined

The researcher designed the second questionnaire for the purpose of updating catalog information, gathering additional data on such matters as curricula and enrollments, and measuring attitudes among the business school chief-executives; the first section of the second questionnaire was designed to update information and gather additional data while the second section sought to measure attitudes. The first section provided data which has been utilized to answer Question C while the second section provided data which has been utilized to answer Questions A, D, and G.

The method which the researcher used in constructing, scoring, and pretesting the second questionnaire has been thoroughly presented and discussed in Chapter Three, "Methodology"; the researcher followed the Likert method for these three steps. Of the 26, 11, and 8 business school executives who were sent questionnaires in Virginia, Tennessee, and South Carolina respectively, 16, 3 and 3 responded respectively. The researcher incorporated these pretest responses into a matrix table (Appendix, C-1). After examining the configuration of these responses as shown in the table, the researcher was able to identify those statments which were undifferentiating, eliciting the same responses from respondents at either end of the attitude continuum.

The researcher sent the second questionnaire to the chief-executives of all 19 proprietary business schools in North Carolina. After considerable effort resulting in the receipt of responses from 14 of the school executives, the researcher constructed two matrix tables (Appendix, C-2 and C-3) to show the distribution of responses to the individual statements remaining in the survey after the undifferentiating statements were eliminated. A summary Table, 5-9, was prepared to show the range, mean, and median of scores for each of the three subsections individually and as a whole for the respondents from North Carolina and the three other states. The mean and median responses for each individual statement (including the undifferentiating ones) for the North Carolina and combined out-of-state respondents have been displayed in Table 4-10.

TABLE 4-9

Range, Mean, and Median of Scores from the North Carolina, South Carolina, Tennessee, and Virginia Samples After Pretest Elimination of Undifferentiating Statements

RG = Range MN = Mean MD = Median I, II, III = Subsection Totals I, II, III MSTL = Master Total

	RG-I	RG-II	RG-III	RG-MSTL	MN-I	MN-II	MN-III	MN-MSTL	MD-I	MD-II	MD-III	MD-MSTL
North Carolina	38-54	8-36	45-80	94-166	48	26	62	136	49	27	62	138
South Carolina	38-45	26-35	55-74	135-152	45	29	66	146	45	27	69	150
Tennessee	40-48	23-30	51-63	114-141	43	27	57	127	41	29	57	127
Virginia	37-57	19-31	40-76	100-153	45	26	58	130	47	28	59	134
Composite - Out-of-State	37-57	19-35	40-76	100-153	45	27	59	132	47	28	59	135

TABLE 4-10

Mean and Median of Responses for All Individual Statements From the North Carolina and Composite Out-of-State Samples

	Subsection I																			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Mean																				
North Carolina	4.3	3.1	4.3	2.8	4.3	4.1	4.3	3.5	4.5	4.4	3.5	4.5	3.3	3.9	3.3	4.2	4.3	4.3	3.6	3.3
Combined Out-of State	4.5	3.4	3.6	2.6	4.1	3.5	4	3.8	4.3	4	3.5	4.4	3.4	3.5	3.3	3.6	4	4	3.2	3.8
Median																				
North Carolina	4.5	3.5	4.5	2.5	4.5	2.5	4.5	4	5	4	4	4	4	4	4	4	4	4	4	4
Combined Out-of-State	5	4	4	2	4	4	4	4	5	4	4	4	4	4	4	4	4	4	3.5	4

	Subsection II							
	1	2	3	4	5	6	7	8
Mean								
North Carolina	2.4	3.7	3.2	3.5	3.9	3.2	2.8	3.3
Combined Out-of State	3	3.9	3	3.5	3.6	3.4	3.2	3.3
Median								
North Carolina	2	4	4	4	4	3.5	2.5	3.5
Combined Out-of-State	2.5	4	3	4	4	4	3	3

	Subsection III																					
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Mean																						
N. Carolina Combined	3.9	4.1	3.9	3.7	4.3	3.7	3	2.6	3.8	3.5	3.3	3.3	3.7	4.1	3.7	3.7	3.1	3.7	3.7	3.3	3.6	3.4
Out-of-State	3.9	4.2	3.2	3.6	3.9	3.1	3	3	3.3	3.9	3.1	3.1	3.5	3.8	3.3	4	3.1	3.5	3.3	3.0	3.3	3.1
Median																						
N. Carolina Combined	4	4	4	4	4	4	4	3	4	3.5	3	3.5	4	4	4	4	4	4	3	3	4	3.5
Out-of-State	4	4	3.5	4	4	4	3	3	3	3.5	4	3	4	4	3.5	4	3	4	3	3	3.5	3

The score range for the above attitude categories for Subsections I, II, III, and the Total was derived by dividing the entire range of possible scores from minimum to maximum into five categories to correspond to the five attitude categories used in the questionnaire. See Table 4-11. The middle category the "Ambivalent" range, represents the middle 24-27 percent of possible scores. The two categories adjacent to the middle, the "Favorable" and "Unfavorable" range, each represent the next adjacent 21-25 percent of possible scores. The two extreme categories, the "Very Favorable" and "Very Unfavorable" range, each represent an extreme, 13-15 percent of possible scores at either end of the continuum.

TABLE 4-11

Scale of Attitude Scores for Subsections I, II, III, and Total

Attitude	I	II	III	Total
Very Favorable	59-65	36-40	81-90	175-195
Favorable	46-58	29-35	64-80	138-174
Ambivalent	33-45	20-28	45-63	97-137
Unfavorable	20-32	13-19	28-44	60- 96
Very Unfavorable	13-19	8-12	18-27	39- 59

Questions A, D, and G Answered

Question A: Do the North Carolina business schools share a sense of identity as an industry with common problems and a common fate?

An examination of the mean and median scores (Table 4-9) of the North Carolina school executives on Subsection I indicates that they are only mildly in agreement with the total concept of identity as a business school industry in North Carolina. The mean and median total scores (excluding the undifferentiating statements) are 48 and 49 respectively and fall into the middle of the lower half of the "Favorable" category (Table 4-11); this indicates an average response to individual statements of 3.7 on the scale in which "1" is a "Very Unfavorable" response and "5" is a "Very Favorable" response. An average response of at least "4" would indicate a prevailing sense of industry identity.

Upon examination of the mean and median responses (Table 4-10) for Statements 1 and 3 which pertain directly to a sense of industry identity, the researcher found that the school executives believe that they have a sense of belonging to an industry. The mean and median responses for Statements 6 and 16 which pertain to common problems indicate that the school executives are aware of problems common to all of them; however, the mean and median responses to Statement 2 appear to contradict this. The mean and median responses for Statements 4, 8, 11, 13, 14, 15, 19, and 20 which pertain to a sense of interrelatedness of interests, which the researcher considers intrinsic to a true sense of identity, indicate that the school executives do not generally see their individual interests and destinies as being interrelated as a group. They have indicated in their responses to Statements 5, 7, 9, 10, 12, 17, and 18 that they should cooperate for mutual benefit; however, their responses to the more subtle, probing statements mentioned above have indicated that they do not share this sense of interrelatedness.

The researcher believes that this disparity in responses to the statements pertaining to interrelatedness and common fate demonstrates the executives' desire to respond as they feel they should toward the general goal of unity and cooperation but at the same time without believing that the interrelatedness of interests actually exists. They have therefore indicated by their responses that they do not truly identify with each other nor see their interests and survival as individual schools tied together as a group.

Question D: Do the business schools of North Carolina possess a positive self-image as educational institutions and are they optimistic about their future role in the educational system of North Carolina?

An examination of the mean and median scores of the North Carolina school executives on Subsection II indicates that they are ambivalent in the attitude which they have toward the uniqueness, quality, and future survival of their own businesses in North Carolina. The mean and median scores (excluding the undifferentiating statements) are 26 and 27 respectively and fall into the upper half of the "Ambivalent" category (Table 4-11); this indicates an average response to individual statements of 3.25 on the scale of 5 where 5 is "Very Favorable".

Upon examination of the mean and median responses for Statements 1, 6, and 7 (Table 4-10) which pertain to educational uniqueness, the researcher found that the school executives do not believe that the laymen and educators in their communities believe in the uniqueness of business school education. The mean and median responses for Statements 3 and 4 which pertain to educational quality indicate that the school executives do not see themselves, as a group, giving the same priority to quality education as they do to profits; nor are they thoroughly convinced that business employers in their own communities prefer to hire their graduates to those of the community colleges. The mean and median responses for Statement 8 which pertains to the future success and survival of business schools indicate that the school executives are not very optimistic about the future role of their business schools in the total educational system of North Carolina.

The executives have not indicated by their responses to statements relating to uniquesness, quality, and future survival that they have a positive self-image nor an optimistic outlook toward their future in North Carolina.

Question G: Would a cooperative business school system with specified services, demands, and obligations be perceived by the business school chief-executives in North Carolina as necessary for achieving countervailing power vis a vis the Community College System?

The mean and median scores of the school executives on Subsection III indicate that they are ambivalent in their attitude toward a cooperative business school system with defined services, demands, and obligations. The mean and median scores (excluding the undifferentiating statements) are both 62 which falls into the far upper end of the "Ambivalent" category (Table 4-11); this indicates an average response to individual statements of 3.4 on the scale of 5. An examination of the responses to the original 22 statements before the undifferentiating ones were eliminated (Table 4-10) shows that the average response to individual statements was 3.4

An examination of the mean and median responses for Statements 1, 3 and 4 which pertain to school cooperation in vague general terms indicates general agreement on the possibility and need for some kind of cooperation among the business schools. The mean and median responses for Statements 6-13, 15, and 17-22 which specifically define the services, demands, and obligations of the cooperative arrangement indicate that the school executives do not support the demands and obligations which are necessary to make the system practicable. Their responses indicate that they would not agree to transfer records such as old transcripts to a

Central Office or seek Office assistance in long-range planning. It is clear that they do not see a cooperative arrangement of the kind specifically defined in the questionnaire as absolutely necessary for survival or even benefical enough to warrant memberships requiring dues; they do not agree that such an organization would enable them to compete more effectively with community colleges for students.

The school executives have indicated in their responses to the statements in Subsection III that although they agree with the idea of cooperation when stated in general terms, they are not willing to comply with the demands and obligations necessary to make it work.

Comparison of the North Carolina Executives' Responses with Those of South Carolina, Tennessee, and Virginia

Table 4-9 summarizes the data contained in Appendix Tables C-2 and C-3. An examination of the ranges of scores on Subsections I, II, and III shows that the ranges of response are broadest in the North Carolina and Virginia samples. The researcher believes that this can be explained by the fact that there were only three respondents each in the South Carolina and Tennessee samples while there were 14 and 16 respondents in the North Carolina and Virginia samples respectively. The researcher did not find the ranges of response from the North Carolina sample to be significantly different in boundaries or magnitude from those of the Virginia sample.

Examination of the mean and median scores on Subsection I indicates that school executives in the four states do not differ greatly in their attitudes toward the identity, problems, and destiny of their industry. The North Carolina executives were the only ones to score in the "Favorable" category. It is apparent that the mean and median subsection and master total scores of the the entire out-of-state sample are almost identical. The mean and median scores on Subsection II do not vary greatly among the four states, with the South Carolina executives alone scoring at the lower boundary of the "Favorable" category. Again on Subsection III the South Carolina executives were the only ones to score in the "Favorable" category with no significant differences among the other three. The mean and median master total scores show greater variation among the four states than do their mean and median subsection scores. The South Carolina executives are alone in scoring in the lower half of the "Favorable" category with the Tennessee executives scoring significantly below the other three. A comparison of the North Carolina mean and median scores with those of the entire out-of-state sample indicates significant homogeneity of attitudes among business school executives in the four states.

A four-state comparison of the mean and median responses for selected individual statements indicates the following about the school executives as a group in the four states:

1. They do not have a strong sense of identity as an industry.

2. They are not acutely aware of the problems shared within their industry.

3. They do not agree that their fellow business school executives are willing to share ideas and knowledge with each other.

4. They solidly agree, but in theory only, that they must work together as a state industry to survive.

5. They are not alarmed about the failure or closing of individual schools within their industry, nor do they believe it weakens in the long-run the ability of individual schools to compete with the community colleges and survive.

6. With the exception of the three respondents from South Carolina, they do not think that business school executives see their business interests as interrelated with those of their competitors at other business schools.

7. The six executives from South Carolina and Tennessee believe that the fate of business schools in their States depends as much on what they do as a group as it does on what they do as individual schools; the executives in North Carolina and Virginia disagree.

8. With the exception of the three Tennessee executives, they agree that most of the local community does not perceive the business school as doing anything essentially different from the community college except charging higher tuition.

9. With the exception of the three executives from South Carolina, they do not think that most of the business school executives whom they know give the same priority to quality education as they do to profits in their schools.

10. They do not agree that business employers in their communities prefer to hire their graduates to those from the community colleges in the same programs or with the same degree.

11. With the exception of the three South Carolina executives, they would not strongly persuade a son or daughter interested in a business career to first enroll in a two-year program at a business school.

12. They do not agree that enough individuals in the community will be willing to pay the increasing tuition costs necessary to sustain even those business schools which are able to maintain the "uniqueness" of their education.

13. They do not clearly see any real benefits to their institutions from membership in the cooperative system which the researcher described in the questionnaire; they feel they can meet their own needs and compete just as well in the market in the long-run without assistance from such an organization.

14. They do not agree that such a system of cooperation is absolutely necessary for the schools to achieve countervailing power vis a vis the Community College System and to survive indefinitely in the market.

Questions B, C, E, and F Answered

Questions B, C, E, and F do not relate to the attitudes of the business school executives of North Carolina.

Question B: If the rate of decline which the North Carolina business schools experienced over the period, 1967-1977, continues, how many schools will likely remain in operation by 1987?

In 1967 there were 46 business schools in operation in North Carolina compared to the 19 in operation in 1977 (57, 62:1-2); this represents a decline of about 60 percent over a 10 year period. If the trend continues 11 business schools will cease to operate sometime between 1977 and 1987; this will leave eight schools surviving in the market in 1987. Dickinson, who believes the trend can be reversed, agrees that if it is not, there will be fewer than 10 schools in the market by 1987 (57, 58, 59).

Question C: What percent of the business schools in North Carolina conducted a regional or community demands survey over the five-year period, 1971-1976?

In response to the question about conducting training needs surveys within specified time periods, six (31.6 percent) of the 19 school executives offered evidence which indicated that they had conducted such a survey sometime during the period, 1971-1976.

Question E: Would the extinction of proprietary business schools in North Carolina eliminate a unique educational alternative traditionally open to students for business and vocational training and one that is not likely to be replaced by any other system or institutions?

The major authors of research studies of proprietary business schools, Belitsky, Atwater, and Hyde all attest to and offer evidence of the uniquesness of the role which business schools play in the total educational system of the United States (15:7-15) (10:5-38) (99:1). Even generally negative pieces such as Garrison's treatment of the weaknesses of proprietary schools recognizes their uniquesness as educational institutions (82:37). Hyde found considerable evidence that proprietary schools often provide the same quality of service for much less than do community colleges (99:131). In the interest of diversification and efficiency in the total educational system, Hyde has made a strong argument that proprietary business schools need to survive as an important component of the educational system (99:135). He has also asserted that proprietary schools act as a bellweather for public institutions in that they quickly discover training needs and design and sell programs within months (99:132). Most of the authors of the research examined and discussed in Chapter Two, "The Review of Literature", have substantially supported the role and contribution of the business schools. They have argued that the functions of these schools cannot and will not be assumed by public institutions such as the community colleges; these researchers have constructed their various arguments by reference to numbers trained, responsiveness of programs, flexibility, cost-effectiveness, and efficiency.

Johnson, the State Coordinator for Proprietary Business, Trade and Correspondence Schools for the State of North Carolina, has repeatedly expressed concern for the future welfare of the State's business schools; he believes that the demise or extinction of these schools would be undesirable for the total educational system of North Carolina (105). Dickinson, the Assistant Coordinator in the same office, shares the same belief about the role of the business schools in North Carolina and believes that certain steps should be taken to reverse the declining trend among the schools (57).

The researcher believes that the major research studies on business schools in other states and across the nation support the claim of the educational uniqueness of the schools. The same studies have offered cogent arguments and evidence for the contention that the public schools cannot replace the alternative or assume the role of the business schools.

Question F: Is the fate of every proprietary business school in North Carolina related to the fate of all other business schools in the State through the sharing of the same background, interests, markets, economic environment, and problems?

Although business school executives across the State have not demonstrated in their responses to specific statements that they are fully aware of sharing common problems, interests, or fate, the researcher has established in his study of the individual institutions and their markets, 1980-1985, that the business schools in North Carolina do share common background, interests, markets, economic environment, and problems; the evidence for this has been presented in the substance of Chapter Four.

Dickinson's research has provided evidence of the existence of common background and problems among the business schools of North Carolina (60:1-5) (62:1-2). Dickinson and Johnson in interviews have both provided additional details supporting a common historical background and problems for the business schools (57, 58, 59, 105). Dickinson, who has made numerous visits to each of the 19 schools and worked with them on a regular basis, has been supportive of the contention that the same general economic and market constraints affect them all, if in somewhat different ways (60:4-5); the researcher's evaluations in Chapter Four identified varying degrees of quality among characteristics from one institution to another and consequently different capabilities for competing in the potential market; however, the researcher has also shown in Chapter Four that certain market constraints affect all schools. Neighboring business schools competing within the same region of the State share the same economic environment and potential market.

The business schools share a common fate in the sense that they can survive as a system or cease to exist as individual entities. To compete effectively and survive indefinitely in the market they need to perform certain functions as a system in a manner similar to that of the community colleges, even if loosely. According to Dickinson, such basic functions as long-range planning and anticipating and preparing for a market have not been systematically performed by the 19 business schools within the State (60:5); although there is some evidence that six (31.6 percent) of the 19 schools have conducted some kind of a training needs survey during the period, 1971-1976, there is no evidence that the necessary in-depth market study or long-range plan has been developed by more than one of these schools. Because of the time, effort, and expense required for the successful completion of such a task, the business schools are not likely to assign to it the necessary importance and priority (60:5); it is a task requiring efforts which are more likely to be performed effectively by the schools acting in concert (57, 58, 59, 60:5). If the schools do not develop a sense of unity as an industry within North Carolina and attack their common problems as a group, then they will witness each others needless demise as educational institutions. The personnel of a single school do not possess knowledge and experience that would compare in any degree to that which could become available to all the schools acting in concert with each other.

CHAPTER FIVE

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

Summary

The purpose of the research has been to identify job training demands for the period, 1980-1985, in North Carolina and to evaluate the capabilities of each of the business schools to compete with the community colleges and technical institutes in meeting these demands.

The researcher utilized the job training demands which were the output of the projection model developed in North Carolina by Cruze and refined by Johnston and Jolley. Demands for the period of the 80s were compared to the enrollment and graduate supply patterns established by institutions offering two-year postsecondary training: the business schools; community colleges; technical institutes; and a few senior colleges. Surpluses and shortages in trained manpower were revealed by this comparison.

Considering the job training market of the 80s as determined above and considering the supply of available high school graduates and Veterans in a school's region, each business school's capability to compete with neighboring community colleges and technical institutes was evaluated in terms of the comparative quality of its institutional characteristics. On the basis of this evaluation, the researcher assessed each school's likelihood for survival in the market of the 80s and recommended specific steps to be taken by those schools which demonstrated that competitive capability for survival.

The researcher utilized a questionnaire designed according to the Likert method for the purpose of measuring the attitudes held by the North Carolina business school executives toward each other, their industry, and its prospects for the future.

Institutional Characteristics of the Business Schools of North Carolina

The researcher has identified certain patterns or trends which have developed among the business schools of North Carolina. Many of these have their roots in the early history of the schools and are likely to persist. Over the past 10 years, 1967-1977, the number of schools has declined from 46 to 19. They have all operated as profit-making institutions at one time or another; only three (16 percent) have become non-profit. About 60 percent of the schools have had three or more owners since opening. Ten of the surviving 19 schools were established before 1930. In about half of the schools the owners have also acted as Presidents of their institutions. Almost all of the schools have Academic Deans who vary greatly in the degree of decision-making authority and responsibility which they exercise in the operation of the schools. All of the schools operate on a quarter system with 11-12 week terms. Eighty percent of the schools are accredited by the Association of Independent Colleges and Schools and 60 percent are licensed by the Board of Governors of the University of North Carolina to grant Associate of Applied Science degrees; North Carolina is the only state in which the University Board of Governors has the authority to grant degree conferring power to proprietary business schools. Both trends, accreditation and degree licensure, have largley developed in the 70s and were largely prompted by the schools' desire for approval to train Veterans. There has not been a tendency among the business schools to seek accreditation by the Southern Association of Colleges and Schools. About 60 percent of the schools have been successful in achieving the transferability of some of their credits to senior institutions within North Carolina. Many have also been successful in achieving this outside the State.

Each school enrolls about 100 new students each term. A high school diploma or an equivalency certificate is required for admission. The average full-time enrollment in a school has been about 350 students with an average annual graduating class of about 115 students. The average student attrition rate among the schools has been about 20 percent. The schools have maintained faculties consisting of an average of eight full-time and 12 part-time members while a full-time load is generally defined as 12 quarter hours per term. Student to faculty ratios have averaged about 25/1. Eighty percent of the schools have required a "C" average for graduation. About 50 percent of the schools have considered an average somewhere below a "C" as indicative of satisfactory progress or have not clearly defined progress or probationary standards in their literature. About 40 percent offer credit by examination, requiring at least a "B" on the exam.

About 75 percent have students receiving tuition assistance from at least one of the four major federal programs (BEOG, SEOG, CWSP, and NDSL) while about 40 percent have students who participate in all four programs simultaneously. The average tuition has been about $23 per quarter with the high and low being $44 and $7.50 respectively. Ninety percent of the schools have required an application fee of $10 or more, generally non-refundable, to accompany the completed application. About 40 percent require a tuition deposit, ranging from $15 to $200, which must be paid before admission is completed. Only 15 percent require activity fees while about 60 percent require graduation fees, averaging $10. About 65 percent reported an average enrollment expense of $106 per student. All schools have defined a refund policy in their literature.

About 65 percent of the schools distribute by mail some kind of promotional literature, ranging from one to nine individual pieces, with an average of four. About 30 percent of the schools offered evidence to indicate that they had conducted a training needs survey of local business and industry sometime during the five-year period, 1971-1976. Another 30 percent reported that none had ever been taken and half of these went on to indicate that they thought these surveys were "of very little real value." Only 15 percent offered any substantial evidence of planning one-five years in advance. About 50 percent of the school executives indicated that they planned only on a day-to-day basis. The researcher finds it ironic that while the business school executives have a tendency to boast about the "practical" quality of the management programs which their schools teach they obviously and admittedly do not "practice" many of the basic principles of sound management which they teach. Fifty percent of the executives described specific steps which they are taking to strengthen their relationship with their communities and their school's image in it. Implicit within the conclusion of Dickinson's research is the realization that the quality of education offered [illegible] a business school and the consequent image which it has in the community are largely determined by the personality, attitudes, and competence of its owner. In support of this conclusion, the researcher has recognized significant similarities in the quality of characteristics among schools owned by the same individual.

Markets, 1980-1985

The data on available high school graduates in the six regions under study and over the period, 1976-1986, indicates that there will be an average annual decline of 23 graduates per region. This does not represent a significant annual or total decline in the high school graduate market, 1976-1986, as had been predicted by some sources. The follow-up data on graduates, 1971-1973, in the six regions indicates that between 1971 and 1972, the percentage of graduates enrolling in business, trade, and nursing schools dropped from an average of 17.8 percent to an average of five percent; this represented an average drop of 12.8 percentage points between 1971 and 1972, signalling the rise of the Community College System and its effect on enrollments traditionally and exclusively controlled by the business schools. The average percentage of graduates enrolling in business, trade, and nursing schools remained at the five percent level in 1973, the last year of the follow-up study. This was indicative of the trend established for the period, 1976-1986 - that the business, trade, and nursing schools as a group cannot generally expect to recruit more than five percent of the total available high school graduates within the six regions; the researcher in a study of statewide statistics has found this five percent trend to exist throughout the entire State as well. Since this small portion of the total high school graduate market is divided among the three types of schools, business, trade, and nursing, the researcher finds it unrealistic that the business schools alone within a region can expect to recruit more than 50 percent of the five percent available market; that means that their upper limit would be 2.5 percent of the total high school graduate market. Although there is likely to be some variation from region to region, the statewide data firmly estalishes the five percent trend for the three types of schools. A business school in North Carolina can estimate its potential high school graduate market for a particular year by using .025 as a factor, multiplying it by the total graduate supply for that chosen year. It must be kept in mind that this computation is based on the assumption that the five percent trend will persist through 1986; the researcher's evaluation of the business schools' institutional characteristics and their consequent competitive capabilities vis a vis the community colleges and technical institutes suggests that the surviving schools are likely to maintain their competitive stance. The 2.5 percent upper limit is therefore reasonable. Variations in competitive capabilities among the business schools of a region must determine what portion of the 2.5 percent each will control.

The available national data indicates that the number of Veterans who remain eligible to use educational benefits will decline at an average annual rate of about five percent during the period, 1977-1986 (58, 59). The schools training Veterans in North Carolina can expect an annual decline of at least five percent over the period, 1977-1986, in the market from which they have been recruting Veterans. The percentage of the declining market, however, which a school is able to recruit annually depends upon its own competitive capabilities in that same market in which its competitors are also recruiting. The shrinking magnitude of the Veteran market in North Carolina is a constraint which must be recognized and accounted for in the planning of all business schools competing in the market of the 80s; each should be aware of the additional number of non-Veterans required each year to compensate Veteran losses and maintain at least stability in enrollments.

Within the six planning regions in which business schools are located there exist 11 instances of an annual surplus of trained personnel and 24 instances of a shortage of trained personnel within the six training demand areas. Surpluses of trained personnel in one or more of the six demand areas exist within every region except Region C which has deficiencies in all six demand areas. Shortages of trained personnel in one or more of the six demand areas exist within each and every one of the six regions under study.

Region J has the most instances of surpluses (Management-Administration, Accounting-Bookkeeping, Legal Secretarial, and Stenographic) while Region C has the most instances of shortages (all six areas). Most instances of surplus (four) are in the Management-Administration area while most instances of shortage (six) are in the Other Secretarial area. Surpluses of trained personnel in the Management-Administration area exist within Regions B, F, J, and M and exceed the total annual demand by almost 700 while shortages of personnel in the Other Secretarial area exist within all six regions and fall short of the total annual demand by almost 3,650.

Within all six regions under study annual shortages of personnel trained in the Other Secretarial curricula have averaged between 75 and 80 percent of the annual demand. In every region the community colleges and technical institutes have been supplying a greater percentage of the annual demand in the Other Secretarial area than have the business schools; the former have been supplying an average of 15 percent of the annual demand while the business schools have averaged less than 10 percent of the annual demand. In some regions the business schools alone have shown steady significant increases in Other Secretarial enrollments and graduates and in other regions the community colleges and technical institutes alone have shown these steady significant increases; in one region none of the proprietary schools have shown significant increases while in another all schools have. There has been no identifiable general pattern among enrollments in this curriculum within the public or proprietary schools. Neither the public sector nor the proprietary sector has evidenced any recognition of the large gap between training and jobs in this area. The Other Secretarial area is the obvious competitive battleground in which the competitive capabilities of the schools in both sectors can determine which business schools will survive in the market of the 80s.

In the Accounting-Bookkeeping area three of the six regions have experienced shortages of 40 to 50 percent while the other half have experienced surpluses of about 55 percent. Generally the community colleges and technical institutes have been graduating more than 60 percent of the total number of students completing training in Accounting curricula; however, in one region, Region B, only the business schools have been enrolling Accounting students.

In the Management-Administration demand area there has been a general pattern of surpluses anywhere from 15 percent to over 100 percent resulting in an average of about 30 percent of those trained in Marketing-Retailing or Business Administration not being able to utilize their training unless already employed in that area. Large numbers of Veterans have been attracted to these curricula, even though for many there exists little chance that they will ever utilize their knowledge on the job. The Veteran has largely been free to choose his own curriculum although he may have received some counseling from the

Veterans Administration. Large enrollments in these curricula within the business schools as well as within the community colleges and technical institutes illustrate the tremendous impact which the Veterans Education Program has had upon the private and public education sectors.

Within the Legal and Medical Secretarial areas the general pattern has been one of small deficiencies in trained personnel. In two regions, Regions B and C, none of the competing schools have been enrolling any students in these two curricula although the demand is there. In two of the regions, Regions J and M, only the business schools have been enrolling students in these curricula. Only in Region G have both the business schools and the community colleges and technical institutes been enrolling students in the two programs. Only in Region F, where only the public schools have been enrolling students, have there been surpluses in both areas resulting in 35 percent of the trained personnel not being able to find jobs in their areas of specialization.

The community colleges and technical institutes have completely neglected the Stenographic area leaving it to the business schools which have been leaving shortages in four regions, Regions B, C, F, and M. In two regions, Regions C and M, not even the business schools have been enrolling students in the curriculum. Only Region J has a considerable surplus of personnel trained in the area.

An examination of the general competitive relationship between the public and proprietary sectors within the six regions shows the following: that both sectors have been most competitive in the Other Secretarial curricula, although the community colleges and technical institutes have shown a slight edge over the business schools; that they have not been competitive in the Marketing-Retailing and Business

Administration curricula because the public sector has demonstrated a considerable edge over the business schools; that they have been competitive in the Legal and Medical Secretarial curricula in three regions while in the other three regions neither sector has enrolled students in both curricula; that the business schools have demonstrated a great edge in competition over the public sector in the Stenographic curriculum.

Discussion of Results and Conclusions

Attitudes Prevalent Among Business School Executives in North Carolina

Legislation and regulations pertaining to the proprietary business schools of North Carolina require that each school designate one person as having total authority and responsibility for all actions taken in the operation of the school. Dickinson has indicated that the personality, attitudes, competence, and behavior of the one in charge, usually the owner, is reflected in the behavior of the institution (60:1).

The researcher has used the Likert technique to measure the attitudes of the business school executives in North Carolina. The conclusions which the researcher has drawn from the questionnaire results presented in Chapter Four apply to the executives as a group. In response to individual statements within each section of the questionnaire there were always those few executives who did not fit the group characterization. The business school executives have not expressed a general confidence in their abilities to compete and survive indefinitely in future markets; their general self-image cannot be characterized as positive. They are not convinced that the businesses and industries within their communities prefer their graduates to those from the community colleges and technical institutes nor that their communities understand or appreciate any uniqueness in what they have to offer as educational institutions. In general the business school executives do not exhibit a clear sense of pride in what they are doing as an industry in North Carolina.

They do not share a sense of identity as an industry within the State. Although they have expressed agreement with the general concepts of unity and cooperation, they do not see their interests and survival as individual schools being tied together as a group. They have indicated general agreement on the possibility and need for some kind of cooperation among the business schools in the State, but they do not support the demands and obligations necessary to make it practicable. It is clear that they do not see a cooperative arrangement of the kind defined by the researcher as necessary or beneficial enough to warrant membership dues. They do not believe that the closing of individual schools weakens in the long-run their ability as individual schools to compete with the community colleges and survive.

The behavior of the schools as individual entities and as a group reflects the attitudes of their leaders (60:1). The researcher believes that the identification of executives' attitudes helps to explain some of the characteristics exhibited by their institutions. Their attitudes are reflected in the lack of importance which most of them have attached to training needs surveys and long-range planning. Further the lack of interest which some have shown in accreditation and which many have shown toward expanding the transferability of their credits is indicative of the same attitude. The adversary relationship which some have developed with the Veterans Administration and Veterans Administration Approving Board is a further manifestation of these prevalent attitudes.

All of this reflects the generally negative self-image which they have developed and which many have then projected into their relations with each other and their communities.

The negative self-image of the business schools is not warranted by the record of the business schools in North Carolina. The feeling which Dickinson has identified as "helplessness" has been contagious. Yet the record which the schools have written in the pages of educational history in North Carolina and the present (1977) demonstration of competitiveness with the Community College System speak well for what the schools are capable of doing.

Competitive Capabilities of the Business Schools

The relationship between the community colleges and technical institutes and the business schools has been the most competitive in Region J in the parallel curricula which the two sectors offer. BS15, 16, and 17 have been enrolling about 60 percent of the students. In addition Region J has the largest number of competitively strong business schools; all three schools have proven their competitive capabilities over the years and possess the institutional characteristics for effective competition and survival in the 80s. Region J is the only region among the six where the business schools have enrolled more students than the community colleges and technical institutes in parallel curricula.

Of the 18 business schools which have been examined in the six regions, only 10 of these have unquestionably demonstrated the quality of characteristics necessary for effective competition and survival in the market, 1980-1985; they are BS2, 4, 7, 8, 9, 10, 15, 16, 17, and 18. An examination of the remaining schools raises all the way from some to serious doubts about their capabilities to compete and survive; they have not shown unquestionably that they possess the quality of characteristics needed to survive. They are BS1, 3, 5, 6, 11, 12, 13, and 14. External difficulties or internal problems have been evidenced in their pattern of enrollments and managerial behavior; however, the track they have been taking is not unalterable. They must first recognize their difficulties as revealed in this study and then identify their causes and eliminate them if possible. The most difficult task is the one of proper recognition of problems and the change of attitude needed to effectively cope with them. The researcher does not find it likely that most of them will succeed with both phases of the process, short of new ownership or fresh leadership. Dickinson has asserted that the attitudes and personality of the owner or chief-executives are manifested in the operational personality of each business school (60:1). The schools having difficulties are located within four of the six regions, but even if these do not survive in the market of the 80s there will remain competitive schools in all regions except Region C which has never had one anyway; there exists within Region C a competitive vacuum which demands the establishment of a viable, competitive school to fill the job gap which has not been addressed effectively by the community college.

Within the six regions containing business schools in North Carolina the overall competitive relationship in parallel curricula has been a 65 percent to 35 percent distribution of students between the public sector and the proprietary sector respectively. Considering the factor of tuition cost alone the fact that the relationship has not by 1977, about six years after the enrollment shift began, become more lopsided than it is indicates that many prospective students in North Carolina still see the business school as offering a desirable alternative to the Community College System.

The schools have shared similar backgrounds, markets, economic conditions, legal constraints, and problems over the years. They have coped with these with varying degrees of success. According to Atwater et. al. who surveyed administrators in about 20 proprietary schools across the nation, executives did not look upon the community colleges as a long-range threat but rather saw the job market as their strongest competitor (10:8); however, Hyde in his study of business schools in Illinois found that the expansion of the community colleges was a likely cause of failure among so many established business schools (99:117-119). The business school proprietors in North Carolina have not viewed with alarm the failure of neighboring competitors in their industry; they have traditionally welcomed these as an end to competition (57).

Dickinson has attested to the fact that the business schools in North Carolina were caught napping by the rapid development of the Community College System and have been suffering frustration at the usurping of their comfortable environment (60:2). She has found through her visitations in the schools, just as the researcher has through his surveys, that the school executive sees himself at the center of his universe rather than as a part of an industry within North Carolina or the nation (60:2). According to Dickinson, he sees himself as the business college and the other business schools as "the man down the road who can't possibly last doing what he is doing" (60:2).

Dickinson describes the State Association of Business Schools as being devoted to the conduct of Association business rather than efforts to unify or understand the industry and its problems as a whole. She has found no evidence that the association has any studies of the market, environment, or threats which the industry is facing (60:2). The researcher has established that only about 30 percent of the schools offered evidence of training needs surveys of local business and industry conducted sometime during the five-year period, 1971-1976; however, another 30 percent indicated that they had never conducted any such surveys. Only 15 percent offered substantial evidence of planning one to five years in advance, while about 50 percent of the school executives indicated that they planned only on a day-to-day basis.

There is no evidence that the necessary in-depth market study, institutional evaluation, and long-range plan has been developed by more than one of the business schools of North Carolina. Because of the time, effort, and expense required for the successful completion of such a task, the business schools are not likely to assign to it the necessary importance and priority (60:5). It is a task requiring efforts which are more likely to be performed effectively by the schools acting in concert (60:5); the personnel of a single school do not possess knowledge and experience that would compare in any degree to that which would become available to all the schools acting as a unit.

The business schools share a common fate in the sense that they can survive as a system or fail as individual entities in the long-run. To compete effectively and survive indefinitely in the market they need to perform certain functions as a system in a manner similar to that of the community colleges and technical institutes. The State Association exists as a basis for such a cooperative arrangement. The executives' responses to the attitudinal questionnaire suggest that they are not opposed in theory to some kind of cooperation; however, they do not support the demands and obligations of the system outlined by the researcher in the questionnaire. Although they do not see the necessity or full worth of benefits of such a system in relation to their competition with the public sector, they could eventually come to understand this. The Association leadership could be instrumental in generating acceptance and total membership in a stronger, more effective state-wide system. Any degree to which the organization would be strengthened by such a process would benefit the business schools of the State.

If the members of the statewide system did not choose to conduct among themselves a market and institutional evaluation and develop a long-range plan for each of their members and for the system as a whole, they could contract a consultant to do it for them, every five or ten years. Acting in concert to conduct such studies or shorter-range and local training needs surveys, every two years, would enable other beneficial side effects which would strengthen the system. To make the most effective use of the knowledge and insight gleaned from the market studies and training needs surveys, the business schools should communicate that to the businessmen within their communities. By informing business and industry of future job and training needs, the business schools would develop direct tie-ins with their local businesses and industries, a relationship which they have not so far enjoyed. At present (1977) most businesses are not aware of future job and training demands in North Carolina. Even more crucial is the need for the business schools to communicate these future needs to prospective students as part of their efforts in recruiting them. The State Association, as the organizational basis for cooperation, could help its schools orient their curricula, courses, and training techniques to recruit these changing markets more effectively than they have been able to do in the past.

Perhaps the most important task that would first need to be performed effectively by the organization is that of helping the school executives understand their attitudes as revealed in the researcher's questionnaire and then help them take the steps necessary to rebuild a positive self-image for the industry in North Carolina. The researcher's study has confirmed the existence of the same attitudes which Dickinson found in her research in 1975 (60:1). Dickinson and Johnson have viewed their responsibility toward the schools as one of helping them survive through legislative, regulatory, and supervisory efforts. Although these benevolent measures may help prolong the survival of the business schools, they represent external protections not initiated by the schools themselves. In addition to these external stimuli, there must be an internal force to generate the essential positive outlook among the schools and their leaders. The essential change must take place from within, generated by the executives' own recognition of the value and uniqueness of what they have to offer students in North Carolina. The Association could focus upon the history, accomplishments, and record of the business schools throughout the nation and particularly within the State. The literature reviewed by the researcher contains considerable evidence of the important role which these schools have played in the total educational system. This research study offers evidence of the strong competitive stance which many of the State's business schools have maintained vis a vis the community colleges and technical institutes. Dickinson has noted some of the adjustments which these schools have necessarily had to accomplish in order to maintain their competitive status. For example, they have succeeded in having at least certain of their programs (those which attract Veterans) recognized on a credit hour rather than a clock hour basis. This can be accomplished only by having three senior institutions indicate in writing that they will accept at least 40 percent of the credits in a program as credit earned toward a four-year degree (63:3). A Veteran who has enrolled full-time (12 credit hours) in one of these credit hour programs may attend fewer hours of class per week with full educational benefits than if he had enrolled in a program approved only on a clock hour basis. Competing community colleges or technical institutes in North Carolina which have not been able to secure this approval are at a definite disadvantage vis a vis the neighboring business schools which have. It is a fact that some, especially technical institutes, have been unsuccessful. This achievement among others should be recognized by the business schools as indicative of progress.

External recognition of the accomplishments and role of the business schools within the State can help inspire and nurture a positive self-image among school personnel. Agencies such as the North Carolina State Department, Veterans Education Office, Veterans Administration Approving Board, and the Accrediting Commission of the AICS can recognize publicly through the media and other literature the role of the business schools within North Carolina. Recognition of business schools is evident in the literature of some other states such as New York (157)(173). In North Carolina the extent of recognition so far has taken the form of media publicity on impending investigations of the schools (73).

The following conclusions are inferred from the foregoing discussion:

1. The business school executives have not expressed a general confidence in their ability to compete and survive indefinitely in future markets.

2. They are not convinced that the businesses and industries within their communities prefer their graduates to those from the community colleges and technical institutes nor that their communities understand or appreciate any uniqueness in what they have to offer as educational institutions.

3. They do not share a sense of identity as an industry within the State.

4. The behavior of the business schools as individual entities and as a group reflects the attitudes of their chief-executives.

5. The negative self-image of the business schools is not warranted by their record of performance in North Carolina.

6. The relationship between the community colleges and the business schools has been the most competitive within Region J.

7. Of the 18 business schools which have been examined in the six regions, only 10 have demonstrated the quality of characteristics necessary for effective competition and survival in the market, 1980-1985.

8. The schools having competitive difficulties are located within four of the six regions examined, but even if these do not survive in the market of the 80s there will remain competitive schools in all regions except Region C which has never had a competitive business school anyway.

9. Within all six regions where business schools are located there exist large annual shortages of personnel trained in the Other Secretarial curricula.

10. In all six regions the public sector has been supplying greater percentages of the annual demand in the Other Secretarial area than have the business schools.

11. Neither the public sector nor the business school sector has recognized the large gap between training and jobs in the Other Secretarial area.

12. The Other Secretarial area is the competitive battleground in which the competitive capabilities of the schools in both sectors will determine which business schools will survive in the market of the 80s.

13. During the period, 1976-1986, no significant annual or total decline will be experienced in the supply of high school graduates available for recruitment by the community colleges and business schools.

14. During the period, 1976-1986, the business and other schools training Veterans in North Carolina can expect an annual decline of about five percent in the number of available Veterans with educational benefits.

15. Considering the factor of tuition cost alone, the fact that the enrollment relationship between the public sector and the business schools has not by 1977, about six years after the enrollment shift began, become more lopsided than it is indicates that many prospective students in North Carolina still see the business school as offering a desirable alternative to the community college system.

Recommendations

Based upon the findings of the study and the observations and conclusions of the researcher, the following recommendations are offered:

1. The North Carolina Association of Business Schools should act as the basis for the development of a stronger more unified system of business schools which offers services to all the business schools of the State for the purpose of helping them compete more effectively with the Community College System.

2. The Association leadership must act to generate acceptance of and total business school membership in a stronger, more effective system.

3. The Association should provide the encouragement and help provide the financial and technical means for market studies, institutional evaluations, and long-range planning by all business schools within North Carolina. It could contract a consultant to do this for the schools once every five years.

4. To make the most effective use of the knowlege and insight gained from the market or training needs surveys, the business schools should communicate that knowledge to the businessmen and industry executives within their communities and throughout the State. By informing business and industry of future job and training needs, the business schools should develop direct tie-ins with their local businesses and industries, a relationship which they have not so far enjoyed. Most businesses in North Carolina are not aware of these future demands.

5. Even more crucial is the need for the business schools to communicate these job and training needs to prospective students as part of their efforts in recruiting them. For instance prospective students should be made aware of the 75 to 80 percent annual shortages of personnel trained in Secretarial curricula and the 15 to over 100 percent surpluses in the Management-Administrative curricula.

6. The Association should help all of its business schools orient their curricula, courses, instructional techniques, advertising, and public relations to recruit these changing markets more effectively then they have been able to do in the past.

7. The most important task that would first need to be performed by the Association is that of helping the school executives understand

their negative attitudes as revealed in the researcher's questionnaire and then help them take the steps necessary for rebuilding a positive self-image as an industry in North Carolina. The Association should focus upon the history, accomplishments, and performance record of the business schools throughout the nation and particularly within North Carolina.

8. Other agencies such as the North Carolina State Department, North Carolina Veterans Education Office, North Carolina Veterans Administration Approving Board, and the Accrediting Commission of Association of Independent Colleges and Schools should recognize publicly through the media and official literature the contributions and role of the business schools in the State. Such recognition of business schools is evident in some other states such as New York and goes a long way toward nurturing a positive self-image among school personnel.

The Need for Further Research on Proprietary Business Schools

The researcher located very few works which deal with the business schools in any detail as a separate proprietary form; there were only three, Reigner, Miller, and Atwater et. al. which dealt exclusively with the history or nature of the business school (189)(156)(10). The aspects of the business school which demand more research are: financial and economic analysis; markets; institutional evaluation relative to the markets; long-range planning; and case studies of the above in individual schools.

The researcher did not locate any published or unpublished historical and behavioral studies of business schools in other states similar to those unpublished by Dickinson in North Carolina (60)(62). Dickinson who is in contact with business school officials in other states had no knowledge of such studies in existence or in progress, although the need for this exists in each and every state (59). Research similar to Dickinson's is a necessary preliminary step to more comprehensive studies of a state's' business schools, such as market studies and institutional evaluations similar to the one undertaken by this researcher. To the best knowledge of the researcher no similar market and institutional evaluation has been completed or is in progress in any other part of the nation. There is a need for similar studies in every state for the purpose of evaluating markets and institutional capabilities and promoting long-range planning within the proprietary sector. Demanding as much attention as the absence among the states of such needed research on business schools is the general absence of recognition of the contribution or even the existence of business schools in the official state and historical literature of the states.

Finally there has been little research into the possibilities of interinstitutional cooperation among the business schools.

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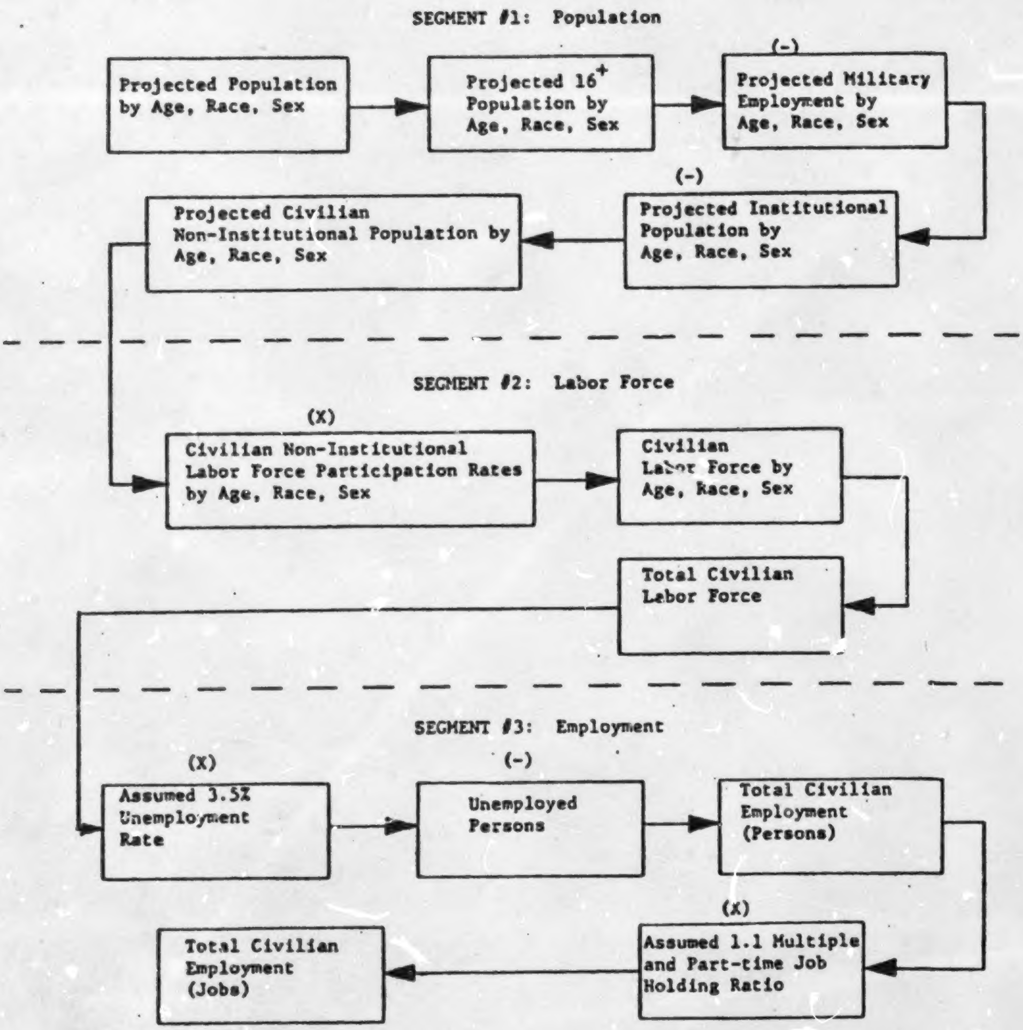
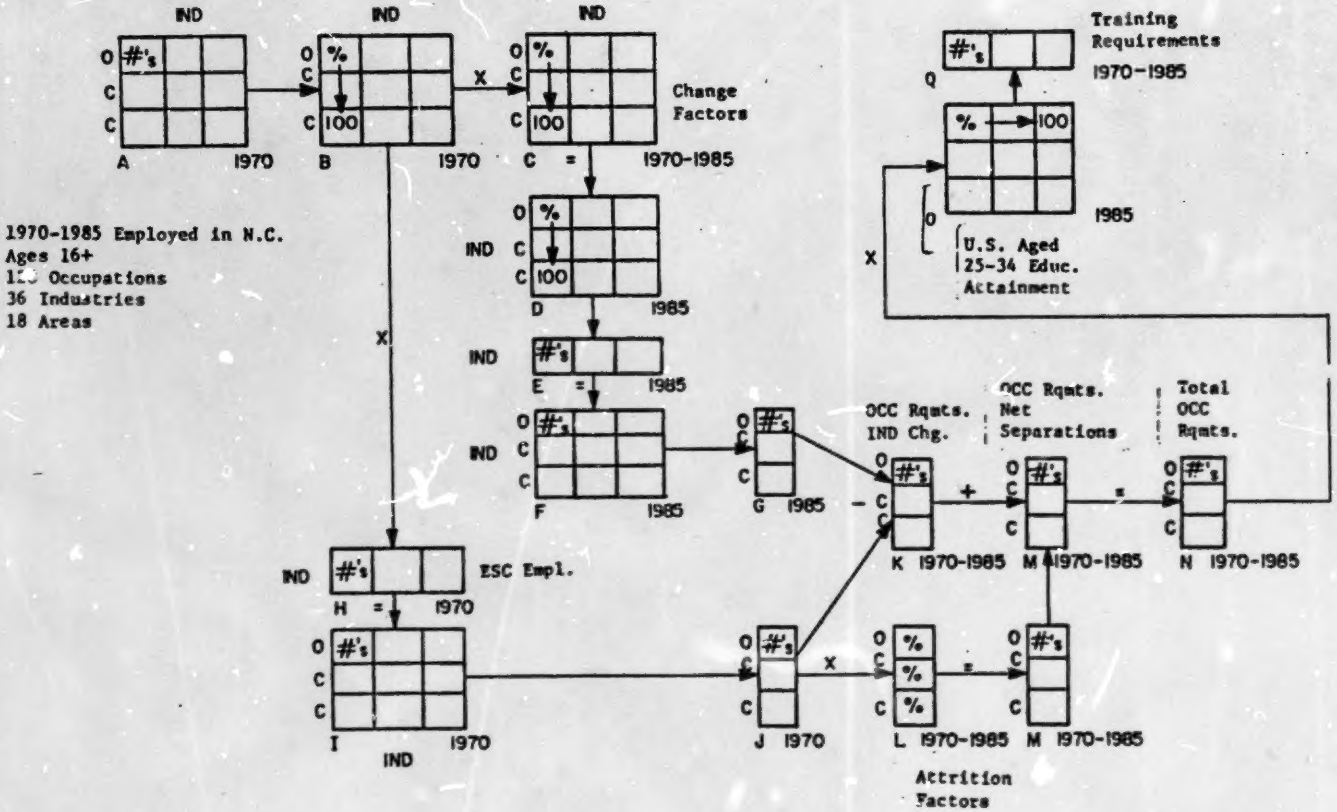
APPENDIX A

APPENDIX A-1

Methodology for Projecting Employment
from Projected Population:
North Carolina 1985


SEGMENT #1: Population
Projected Population by Age, Race, Sex
Projected 16+ Population by Age, Race, Sex
(-)
Projected Military Employment by Age, Race, Sex
(-)
Projected Institutional Population by Age, Race, Sex
Projected Civilian Non-Institutional Population by Age, Race, Sex
SEGMENT #2: Labor Force
(X)
Civilian Non-Institutional Labor Force Participation Rates by Age, Race, Sex
Civilian Labor Force by Age, Race, Sex
Total Civilian Labor Force
SEGMENT #3: Employment
(X)
Assumed 3.5% Unemployment Rate
(-)
Unemployed Persons
Total Civilian Employment (Persons)
(X)
Assumed 1.1 Multiple and Part-time Job Holding Ratio
Total Civilian Employment (Jobs)

APPENDIX A-2



1970-1985 Employed in N.C.
Ages 16+
12[illegible] Occupations
36 Industries
18 Areas

Total Occupational and Training Requirements 1970-1985

APPENDIX B

APPENDIX B-1

La Fayette College

August 25, 1976

Faircloth, Giles and Company
P. O. Box 562
Fayetteville, North Carolina 28302

Dear Marshall:

Pursuant to our telephone conversation, Tuesday, August 24, I have outlined here how I would like your firm to assist me with my research:

1. I would have my secretary prepare 22 letters for you to sign and send out on your stationery and which would explain the research project. The substance of this cover letter which would accompany the questionnaire would indicate that your firm will receive the responses to the questionnaire and discard the postmarked envelopes as evidence of the responding institution's identity so that anonymity and confidentiality can be maintained. My name will be withheld unless there are inquiries and also will be the doctoral nature of the research. The reason for this is that I do work for a competing institution, an issue I would rather not raise unless pressed to do so; initially, we will not relate more than is necessary. Then if the inquiries are made we will handle these as suggested below.

2. If some should inquire as to the identity of the researcher, your firm can offer my name and the fact that I am preparing a paper in working toward an advanced degree. If they should press further for information, then the firm would take the name and telephone number, indicating that I will call and talk with them.

3. When your firm receives the responses from the schools (22) you will discard the envelopes,

603 Country Club Drive • Fayetteville, North Carolina 28301 • (919) 488-2527

APPENDIX B-2

Page 2

keep a tally on who responded for your own use, and hold the questionnaires which I will pick up at your office.

4. Three weeks after my initial letters go out your firm will call those institutions which have not yet responded and gently and kindly check with them as a reminder. It is extremely important that this be handled just right. About 10 days after the first follow-up call, if there is still no response, then I will personally call them and see what I can do.

5. We should not have to spend more than four or five weeks in receiving the returns from this portion of the survey.

6. About two weeks after the first follow-up calls your firm will send out the attitudinal portion of the survey with a similar cover letter. If we send the entire survey in the first mailing the volume might discourage them from replying at the outset which I want to avoid any way I can; however, I will make mention of the other part of the survey in the first letter and seek their cooperation on the whole project at that time.

7. My proposed schedule for the mailings is as follows:

   September 7, 1976: Cover letter and first questionnaire ready to be sent.
   September 30, 1976: Call all those who have not yet responded.
   October 15, 1976: Cover letter and second questionnaire ready to be sent.
   October 30, 1976: Call those who have not responded on second questionnaire.

If you should decide to work with me on this and considering that it would be difficult to anticipate how much calling will be involved, you might suggest a per hour rate on the office time in addition to telephone, postage, and stationery expense.

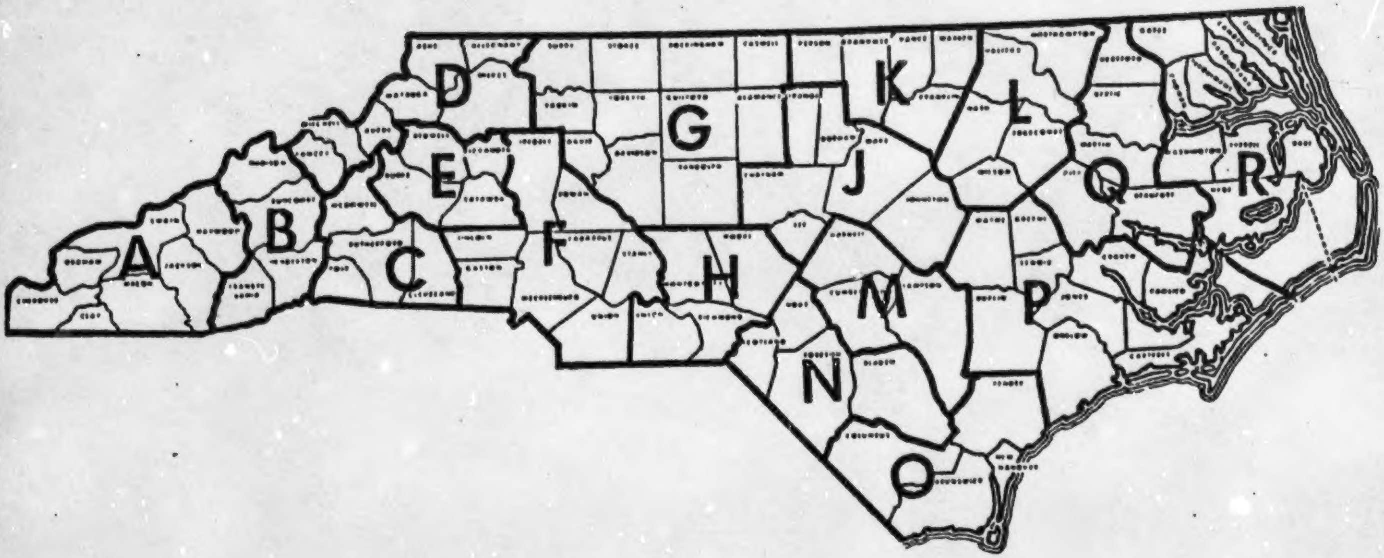
I will be looking forward to hearing from you and I can have the first cover letter ready for you to look at next Tuesday so that we can be ready to send materials on September 7.

Sincerely,

Donald R. Wire

Donald R. Wire

APPENDIX B-3



APPENDIX B-4

FAIRCLOTH, GILES & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
1338 BRAGG BLVD. · P. O. BOX 902
FAYETTEVILLE, N. C. 28302

(919) 483-1830

WM. MARSHALL FAIRCLOTH, C.P.A.
JOE M. GILES, JR., C.P.A.

MEMBERS
AMERICAN INSTITUTE OF CPA'S
N. C. ASSOCIATION OF CPA'S

September 22, 1976

Dear Mr. President:

Our firm, Faircloth, Giles & Company, Certified Public Accountants, has been asked to act as an independent agency by a client who is conducting research into North Carolina private education. The necessity for an independent agency is to assure the anonymity and confidentiality of the responses to the enclosed questionnaire, as it would be undesirable within the research methodology for the researcher to know the identity of any of the responding institutions. Therefore, the researcher has asked our firm to receive your responses, discard the postmarked envelopes which might identify the institution and turn the responses over to him.

The researcher is aware that he is asking for a great deal in requesting that you complete the questionnaire fully, but the results of the study should be of value to all participating institutions since those results will involve manpower training needs projections for the period 1980-1985 and institutional needs assessments within each statistical area of North Carolina for the same period. In fact, the impetus for the project is the need for long-range planning among the private schools of North Carolina in their quest to compete more effectively with the public schools of the state.

While the project is ambitious, lengthy, and will require full cooperation of many two year institutions within North Carolina, the researcher expects to complete all phases of the project by May of 1977 and have the findings available to participating institutions by December of 1977.

Please give the researcher your support by responding thoroughly to every question in the survey. To insure the accuracy of the project results, we ask that you be complete and candid in your responses.

Your cooperation will be sincerely appreciated.

Very truly yours,

FAIRCLOTH, GILES & COMPANY

Wm. Marshall Faircloth, Partner

WMF/amh

APPENDIX B-5

The intent of this questionnaire is to establish the curricular history on the basis of the number of students enrolled in the various programs over a period of time. Please provide curricular data for any programs which existed before 1960 and include all programs ever offered by your institution even if only for a single term.

If you should have this data in another form such as report form and wish to Xerox it, please be sure to conceal your institutional identity. The researcher would appreciate the information in any form as long as it fits all of the above categories. Please be sure to indicate whether each program is offered day, night, or both and whether the hours are quarter or semester.

Please neatly shade with pencil the appropriate statistical region in which your school is located.

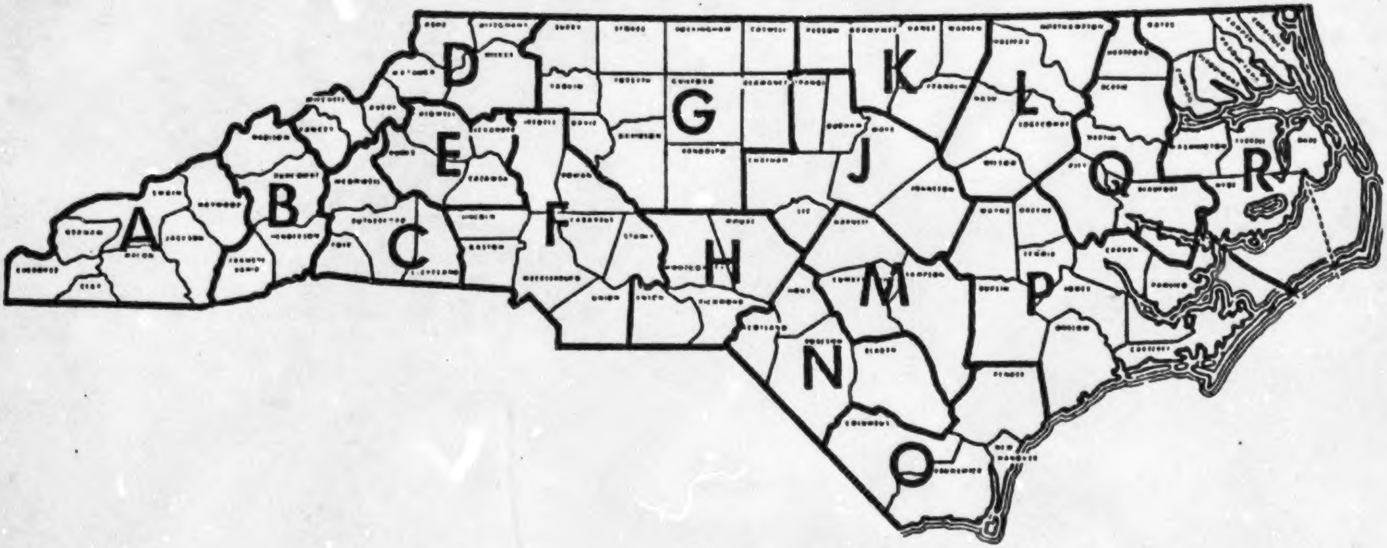
Thank you very much.

APPENDIX B-6

INFORMATIONAL QUESTIONNAIRE

PROGRAMS (CURRICULA)	DAY	NIGHT	CLOCK HOURS	QUARTER OR SEMESTER HRS	ENROLLMENT 1960 - 1976															
					60	/ 61	/62	/63	/65	/66	/67	/ 68	/69	/70	/71	/72	/73	/74	/75	/76

APPENDIX B-7



APPENDIX B-8

FAIRCLOTH, GILES & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
1338 BRAGG BLVD. · P. O. BOX 982
FAYETTEVILLE, N. C. 28302

(919) 483-1830

WM. MARSHALL FAIRCLOTH, C.P.A.
JOE M. GILES, JR., C.P.A.

MEMBERS
AMERICAN INSTITUTE OF CPA'S
N C ASSOCIATION OF CPA'S

December 30, 1976

Dear Mr. President:

The enclosed questionnaire is the second and last which you are being asked to complete for our client. The information which the researcher seeks through this questionnaire, is more crucial to the success of the research project than that sought in the first questionnaire. Again, it is desirable to maintain anonymity in submitting the responses.

The researcher has tried to cut the response time to a minimum (approximately 20 minutes) to make your response as convenient as possible. Most of the questions require only that you underline your choice among the several possible. In a few instances, you are asked to write a few sentences for clarification. However, these extended responses are most crucial to the study's success and, therefore, your cooperation and candidness are extremely important.

I want to remind you that the results of this project should be of practical value to all proprietory schools in North Carolina. The larger the response, the greater will be its value to you and others. The researcher expects to complete the project by the end of May 1977 and have the findings ready for your use the following December. You will be able to learn how your fellow proprietors throughout North Carolina reacted to many problems, issues, and important questions concerning business schools and also what your market for students is likely to be in your statistical area in the period 1980-1985.

Please take a few minutes, now, to respond to this final segment of our study, contributing your needed strength and value to its outcome. Finally, on the enclosed map, please shade the statistical area in which your school is located. You need to complete this final step so that your responses will be of full value in the market and institutional needs evaluation. Please return your responses in the stamped, self-addressed envelope before January 15, 1977.

Your time and cooperation are sincerely appreciated.

Sincerely,

FAIRCLOTH, GILES & COMPANY

Wm. Marshall Faircloth

Wm. Marshall Faircloth, Partner

WMF/amh
Enclosures

APPENDIX B-9

SECTION I

Please underline your choice or choices, whichever appropriate, where several possible are given. In the questions which require extended answers, please write a few words or sentences, whichever appropriate, to clairfy your school's operation.

1. My school is (profit, non-profit).
2. My school operates on ______ terms a year which are ______ weeks in length.
   number / number
3. My school offers (day, night, Saturday, Sunday) programs.
4. A full-time load is considered ______ credit hours.
5. A part-time load is considered ______ credit hours.
6. My school enrolls an average of ______ new students each term.
7. My school graduates an average of ______ students each year.
8. During 1976 my school enrolled ______ students and graduated ______ students.
9. The average full-time enrollment during 1976 was ______ while the average part-time enrollment was ______.
10. The average size of my full-time faculty was ______ and the average part-time was ______ during 1976.
11. The average student/faculty ratio for 1976 was: 40:1, 30:1, 25:1, 20:1, 15:1, 10:1. Specify if other.
12. Tuition per credit hour is $__________.
13. My school (not counting name changes) has existed since __________.
14. The present ownership began in __________.
15. There have been ______ different owners since the school was established.
16. The owner (is, is not) currently training or preparing a member of his family to take over the school after his demise.
17. List any new curricula planned and to be included in the next catalog and the dates when they will begin. Include plans for the period, 1977-1985.

APPENDIX B-10

#17 Continued

Programs	Beginning Dates

18. Classes are scheduled on the following days. Underline and please give hours at the right of each.

Days	Hours
Monday	
Tuesday	
Wednesday	
Thursday	
Friday	
Saturday	
Sunday	

19. What definite plans, if any, do you have for changing the above schedule, expanding or contracting hours, expanding night or weekend programs? Please specify.

20. Please give the reasons you offer the programs you do in the evening or on the weekend. Give program and reason.

21. Underline all federal funds which your financial aid officer has available for qualified students and give the approoriate number of students receiving each form during 1976. Specify if others.

APPENDIX B-11

#21 Continued

Fund	Number of Recepients
SEOG	
NDSL	
CWSP	
BEOG	

22. How do you see financial aid in relation to the success of your school at present and in the future? Underline appropriate choices.

At Present	In Future
An indispensable recruiting tool.	Will be indispensable recruiting tool.
Some positive effect on enrollment.	Will have increased importance in recruiting.
Do not now use.	Will make little difference.
Will discontinue.	No plans for use.
Not worth the effort.	Definitley will not use.

23. In what programs is your school licensed to grant associate degrees? Underline and add any not given.

Program	Degree
Business Administration:	
Secretarial Science	Associate of Applied Science
Fashion Merchandising	" " " "
Management	" " " "
Accounting	" " " "
Data Processing	" " " "

24. How is your school accredited and by which agency? Underline and give agency. Specify if other.

Business School
Junior College of Business

25. Please give any definite plans you have for further degree licensing or accreditation during the period, 1977-1985. Specify programs please.

26. List the four-year institutions which to your knowledge transfer credits from your programs. Please specify programs.

Institution	Program

APPENDIX B-12

27. We (are, are not) actively seeking to expand the transferability of our credits to four-year schools. If so, please specify what steps you are taking.

28. We have conducted a training needs survey of local community businesses and industries within the last (10 years, 5 years, 2 years, not at all). Please describe the survey and how you used the results.

29. Training needs surveys are: Underline choices.

An indispensable tool for future planning.
A tool which must be used to evaluate and update curricula to meet community needs.
Of considerable value in institutional planning.
Of very little real value.
A waste of time and effort.

30. Please indicate how you plan one to five years in advance, if you do.

31. What was the average attrition rate in your school during 1976? 50%, 40%, 30%, 20%, 15%, 10%, 5%. Specify if other.

32. How do you handle placement of graduates?

33. Please describe the relationship which exists between your institution and the community. What are you doing to improve your image or strengthen that relationship?

34. Enrollment expense per enrollee at my school averages: $ 0-25, 26-50, 51-75, 76-100, 101-125, 126-150, 151-175, 176-200, 201-225, 226-250.

APPENDIX B-13

SECTION II

The second section of the questionnaire is divided into three subsections. All of the questions in each section refer only to proprietary business schools and only to those within your state. Please respond to each statement by circling "Strongly Agree", "Agree", "Undecided", "Disagree", or "Strongly Disagree" whichever expresses your degree of feeling about the statement.

SUBSECTION I

1. Proprietary business schools represent a distinct business or industry in the state.

Strongly Agree
Agree
Undecided
Disagree
Strongly Disagree

2. Most of the problems which a business school experiences are unique to that school.

Strongly Agree
Agree
Undecided
Disagree
Strongly Disagree

3. Proprietary schoolmen have a strong sense of belonging to an industry.

Strongly Agree
Agree
Undecided
Disagree
Strongly Disagree

4. Any form of competition among business schools is generally beneficial to them.

Strongly Agree
Agree
Undecided
Disagree
Strongly Disagree

5. The failure or closing of a business school is beneficial to its neighbors.

Strongly Agree
Agree
Undecided
Disagree
Strongly Disagree

Strongly Agree = SA
Agree = A
Undecided = U
Disagree = D
Strongly Disagree = SD

6. Proprietary schoolmen are acutely aware of the problems of other business schools within the state.

SA
A
U
D
SD

APPENDIX B-14

7. Proprietary schoolmen are not interested in discussing problems with their neighbors and competitors.	SA A U D SD
8. Proprietary schoolmen are willing to share ideas and knowledge with each other.	SA A U D SD
9. Business schools must work together as an industry to survive.	SA A U D SD
10. Those schools with larger enrollments stand to lose in sharing ideas and knowledge with other schools.	SA A U D SD
11. Each local business school essentially makes its own reputation in the community and is not affected by the statewide or nationwide reputation of the industry.	SA A U D SD
12. Cooperation among neighboring schools can mutually benefit them.	SA A U D SD
13. The failure or closing of individual schools, lowering the number of competitors in the business, is rot to be viewed with alarm as a sympton of industry decline, but rather as survival of the fittest which strengthens the industry.	SA A U D SD
14. Business schoolmen do not see their business interests as interrelated with those of their competitors.	SA A U D SD
15. A declining trend in the number of business schools in the state in the long-run weakens the ability of individual schools to compete with the community colleges and survive.	SA A U D SD

APPENDIX B-15

16. Business schools have more in difference with each other than they do in common.

SA
A
U
D
SD

17. Proprietary schoolmen should take the initiative in contacting and consulting with other business schoolmen through out the state.

SA
A
U
D
SD

18. The success of one school is usually to the detriment of its neighbors.

SA
A
U
D
SD

19. At present, schoolmen throughout the state consult each other toward improving their competiveness and chances for survival.

SA
A
U
D
SD

20. The fate of business schools in the state depends as much on what they do as a group as it does on what they do as individual institutions.

SA
A
U
D
SD

SUBSECTION II

1. Most of the local community does not perceive the business school as doing anything essentially different from the community college except charging a higher tuition.

SA
A
U
D
SD

2. Far more important than any other reason for the success of business schools is the superior job of their sales representatives.

SA
A
U
D
SD

3. Most proprietary schoolmen you know give the same priority to quality education in their schools as they do to profits.

SA
A
U
D
SD

4. Business employers in your community prefer to hire your graduates to those from community colleges in the same program or with the same degree.

SA
A
U
D
SD

APPENDIX B-16

5. If you had a son or daughter genuinely interested in pursuing a career in business you would strongly persuade him or her to first enroll in a two-year program at a business school.

SA
A
U
D
SD

6. Most of those officials or educators who talk about the "unique" and valuable role of the business school" are just being nice and do not really perceive a long-term value or need in the community.

SA
A
U
D
SD

7. The demise of local business schools throughout the state is generally viewed by the State Department as an undesirable loss to the education system of the state.

SA
A
U
D
SD

8. There will be a point sometime in the future when not enough individuals in the community will be willing to pay higher and higher tuition to keep open even the business school which is able to maintain the "uniqueness" of its education.

SA
A
U
D
SD

SUBSECTION III

1. Some kind of a system of cooperation among business schools within the state is a realistic possibility.

SA
A
U
D
SD

2. A cooperative arrangement among business schools within the state is desirable.

SA
A
U
D
SD

3. Most school owners and executives look upon their school neighbors as competitors not to be dealt with.

SA
A
U
D
SD

4. Business schoolmen could learn from looking at cooperative arrangements among public schools.

SA
A
U
D
SD

5. Schoolmen have good reason to be suspicious of other schoolmen who express a desire to cooperate.

SA
A
U
D
SD

APPENDIX B-17

Following is a description of the parameters of a particular cooperative system to which the remainder of the statements in this section apply:

> All member schools of a State Association of Business Schools allocate a certain portion of their membership dues toward the support of a Central Office, the space for which is donated by a member school. The responsibilities of the office include among others maintaining 1) an archives for the history of each member, 2) sets of select records from each member, and 3) information for long-range planning.

6. The Office would be manned by one retired business school employee who would work part-time on a salary supplementary to his or her Social Security benefits.

SA
A
U
D
SD

7. Schoolmen generally would not be willing to transfer any records such as student transcripts so many years after graduation.

SA
A
U
D
SD

8. Schoolmen generally would not envision sufficient benefits from such an organization to warrant membership requiring dues.

SA
A
U
D
SD

9. Member schools would be willing to share information and ideas to help other schools.

SA
A
U
D
SD

10. If my school went out of business I would be willing to transfer all of its permanent student grade records or cards to a Central Office to facilitate transcript preparation upon student request.

SA
A
U
D
SD

11. The business school executives with whom I am acquainted in my state would make use of Central Office records and studies (assuming they are sufficient) for purposes of long-range planning.

SA
A
U
D
SD

12. Schoolmen are not sufficiently concerned with their identity as an industry to financially support historical research of their own institutions through membership dues.

SA
A
U
D
SD

APPENDIX B-18

13. My institution would be willing to supply enrollment figures, curricula plans, and placement records to a Central Office with the identity of the institution open only to member schools.

SA
A
U
D
SD

14. Presentation of up-to-date workshops on various matters of interest to all members would in itself make membership worthwhile.

SA
A
U
D
SD

15. Business schools can serve their own needs and compete just as effectively in the long-run without membership in such a business organization.

SA
A
U
D
SD

16. I would be cutting my own throat to participate in an organization characterized by the above description and related statements.

SA
A
U
D
SD

17. I do not see clearly at this time any real benefits to my institution from membership in such an organization.

SA
A
U
D
SD

18. It sounds like an organization in that only the public schools or the State Department could be interested.

SA
A
U
D
SD

19. I would like to be involved in forming an organization within my state with all the benefits and responsibilities of the one outlined above or I would like to strengthen the one to which I already belong by incorporating the additional services which it now lacks.

SA
A
U
D
SD

20. The benefits as prescribed above would not warrant an annual dues of $200 - $250. varying directly according to a school's average enrollment.

SA
A
U
D
SD

21. I believe that such an organization would in one way or another enable the member business schools to compete more effectively with community colleges for students.

SA
A
U
D
SD

APPENDIX B-19

22. This kind of cooperation among the remaining schools is absolutely necessary to achieve countervailing power vis a vis the community colleges and survive indefinitely in the market.	SA A U D SD

APPENDIX C

TABLE APPENDIX C-1

Pretest of Samples in South Carolina, Tennessee, and Virginia

	Subsection I																				
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Total
South Carolina																					
1	5	4	4	1	5	3	5	4	5	5	2	5	3	4	5	4	4	5	3	5	71
2	5	2	4	2	1	5	5	5	5	4	2	5	2	4	2	4	4	4	4	4	73
3	5	4	4	2	5	5	4	4	5	4	4	4	4	4	4	4	4	4	4	4	82
Tennessee																					
1	3	4	4	3	5	4	2	2	5	5	4	5	2	3	2	4	4	4	2	4	71
2	3	2	2	5	3	3	3	3	5	3	3	4	4	3	4	3	3	3	1	4	64
3	5	4	3	4	4	4	5	5	4	4	2	5	3	2	4	3	4	4	4	4	77
Virginia																					
1	4	4	4	4	5	4	4	4	5	5	4	4	2	4	1	5	5	4	4	4	80
2	4	4	3	2	4	5	4	3	5	2	4	4	3	2	2	4	2	4	3	4	64
3	5	2	4	3	3	4	4	4	4	4	4	5	4	2	4	4	4	4	4	4	76
4	5	4	4	1	4	4	4	4	5	4	4	4	4	4	3	3	5	4	4	4	79
5	5	2	5	2	4	5	5	4	5	3	2	5	2	4	5	2	4	4	4	4	76
6	4	3	4	3	4	2	4	3	4	3	4	4	4	3	2	4	4	5	2	2	68
7	4	4	4	4	4	4	4	4	4	4	4	4	3	4	2	4	4	4	4	2	75
8	5	5	4	2	5	4	5	5	5	5	4	5	5	5	5	5	5	5	3	5	92
9	5	1	2	4	5	2	4	4	2	4	4	5	2	5	2	2	3	4	3	2	63
10	3	5	3	2	4	3	3	3	3	4	3	4	3	3	3	4	3	3	3	3	63
11	4	4	2	4	4	2	5	5	4	4	5	4	3	5	4	4	4	4	2	4	77
12	5	2	5	1	5	3	5	5	5	5	5	5	5	5	5	5	5	5	4	5	90
13	5	4	4	2	4	5	4	4	5	4	2	4	5	4	4	4	4	4	4	4	80
14	4	4	4	3	4	2	4	4	4	4	2	4	3	4	4	4	4	4	4	4	74
15	5	2	4	2	3	2	3	3	4	3	4	4	3	3	4	4	4	3	2	4	66
16	5	4	2	2	5	1	1	1	5	4	5	4	5	4	2	4	5	4	2	4	69

Table Appendix C-1 continued

	Subsection II								
	1	2	3	4	5	6	7	8	Total
South Carolina									
1	4	3	5	2	3	2	4	3	26
2	4	4	4	5	5	5	4	4	35
3	1	4	4	4	4	3	3	4	27
Tennessee									
1	4	5	1	4	3	4	3	5	29
2	5	4	2	3	3	2	2	2	23
3	4	4	2	4	4	4	4	4	30
Virginia									
1	5	3	2	4	4	2	3	5	28
2	2	5	3	4	2	2	4	4	26
3	2	2	2	3	4	3	2	2	20
4	3	4	5	4	4	4	3	3	30
5	2	3	4	5	5	4	4	1	28
6	2	4	4	4	4	2	2	3	25
7	4	4	4	3	4	4	4	3	30
8	2	4	2	2	3	2	2	2	19
9	4	5	1	3	4	5	3	4	29
10	4	4	3	2	2	4	3	3	25
11	2	4	5	5	4	2	4	2	28
12	2	4	4	3	3	5	4	5	30
13	2	4	2	4	4	4	4	4	28
14	4	4	4	4	4	5	2	4	31
15	2	4	3	3	4	3	3	3	25
16	2	4	1	2	2	4	4	2	21

Table Appendix C-1 continued

	Subsection III																							Master
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	-15	16	17	18	19	20	21	22	Total	Total
S.Carolina																								
1	4	5	4	4	4	2	4	5	4	4	3	4	4	5	4	4	4	4	4	3	4	4	87	184
2	4	4	4	4	4	2	5	2	4	4	4	4	4	4	2	4	2	2	2	2	2	2	71	179
3	4	4	4	4	4	4	4	4	4	5	4	4	4	4	4	5	5	4	4	4	4	4	91	200
Tennessee																								
1	4	5	3	4	5	2	2	2	2	5	2	2	4	4	3	4	3	4	4	4	4	3	75	175
2	2	4	2	4	2	3	4	2	3	5	2	2	2	3	4	3	3	3	3	3	2	2	63	150
3	4	4	4	4	4	4	4	4	4	4	4	3	4	4	2	4	2	4	3	3	3	3	79	186
Virginia																								
1	4	4	5	4	5	3	3	3	4	3	4	4	2	4	3	4	2	3	3	3	4	3	76	184
2	4	4	2	3	4	3	3	1	2	3	2	3	2	3	2	4	1	3	1	1	2	2	55	145
3	4	4	2	4	4	4	2	4	4	4	4	4	4	4	4	4	4	4	4	3	4	4	83	179
4	4	5	4	4	5	1	1	3	3	5	4	2	4	4	4	4	3	3	3	3	3	3	80	189
5	4	4	3	3	4	4	2	2	4	4	4	3	4	5	3	4	4	3	3	2	3	3	75	179
6	4	3	4	3	4	2	2	3	3	4	2	3	3	4	3	4	2	3	4	3	4	3	70	163
7	4	4	4	3	4	3	3	3	3	3	3	3	4	4	4	4	3	4	3	3	3	3	75	180
8	4	5	4	4	4	3	3	4	4	4	3	3	4	4	4	4	4	4	4	4	4	4	80	190
9	3	4	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	60	153
10	4	1	3	3	4	3	3	3	4	2	3	4	2	3	4	3	4	3	1	3	2	3	65	153
11	4	5	2	4	2	5	1	4	2	1	2	4	4	4	4	4	4	4	3	4	4	4	75	180
12	5	5	1	4	5	3	3	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	86	206
13	4	4	5	2	4	2	4	2	4	4	3	2	4	2	4	4	2	3	4	2	2	2	69	177
14	5	4	4	4	4	4	4	4	4	4	4	4	4	4	4	5	5	4	5	4	4	5	93	198
15	2	4	2	4	4	3	2	2	2	4	2	2	2	4	3	3	2	2	2	2	2	2	73	164
16	2	4	2	4	4	3	2	2	2	4	2	2	2	4	3	3	2	2	2	2	2	2	57	147

TABLE APPENDIX C-2

Responses and Scores from the North Carolina Pretest Elimination of Undifferentiating Statements

	Subsection I													
	2	3	4	6	7	8	10	11	13	14	15	19	20	Total
North Carolina														
2	2	5	2	4	4	4	4	4	4	4	2	4	4	46
5	2	5	3	5	5	5	5	4	2	3	4	4	4	51
6	2	5	3	5	5	5	5	4	2	3	4	4	4	51
7	4	4	3	4	5	4	5	4	4	4	1	4	5	51
8	5	5	2	5	5	2	5	5	2	5	1	4	5	51
9	2	4	4	5	5	3	4	4	5	5	4	4	5	54
11	1	4	3	3	3	2	4	3	3	4	5	4	5	44
12	4	5	5	5	4	2	4	1	1	3	1	2	1	38
14	4	5	1	4	2	4	4	3	4	4	4	4	4	47
15	4	4	4	4	4	4	3	4	4	4	3	4	4	50
16	1	5	1	3	5	2	5	5	5	5	5	5	4	51
17	4	3	2	4	4	4	4	4	4	4	2	4	2	45
18	5	1	5	2	4	4	4	2	4	2	4	2	2	41
19	2	4	2	4	5	4	5	2	5	3	4	4	4	48

	Subsection II								
	1	2	3	4	5	6	7	8	Total
North Carolina									
2	3	4	2	3	5	4	4	4	29
5	2	4	1	4	4	2	4	2	23
6	2	4	1	4	4	2	4	2	23
7	2	3	4	4	4	2	2	2	23
8	1	5	5	5	5	4	1	5	31
9	1	4	5	4	4	5	2	2	27
11	5	2	3	3	5	3	2	4	27
12	1	1	1	1	1	1	1	1	8
14	2	4	4	4	4	4	4	4	30
15	2	4	4	3	4	4	3	3	27
16	5	5	5	5	5	5	1	5	36
17	4	4	4	4	4	4	4	4	32
18	2	4	1	3	2	2	2	2	18
19	2	3	4	4	4	4	4	4	29

Table Appendix C-2

	Subsection III																			
	1	3	4	6	7	8	9	10	11	12	13	15	17	18	19	20	21	22	Total	Master Total
North Carolina																				
2	4	4	4	3	3	3	3	4	3	4	4	3	3	3	3	3	4	4	62	137
5	4	5	3	4	1	1	5	1	3	4	4	2	2	3	3	2	2	3	52	126
6	4	5	3	4	1	1	5	1	3	4	4	2	2	3	3	2	2	3	52	126
7	4	3	4	4	3	3	4	3	4	3	4	4	3	4	4	3	4	4	65	139
8	5	5	1	4	4	4	4	5	5	5	5	5	5	5	5	5	5	4	80	162
9	2	4	2	4	4	2	4	3	3	3	3	4	3	2	4	3	4	4	58	139
11	4	3	4	4	2	2	3	3	4	3	3	4	4	4	4	3	3	4	61	132
12	1	2	4	1	1	1	2	5	1	2	2	4	4	4	4	4	3	4	49	95
14	4	4	4	5	4	4	4	4	4	4	4	4	4	4	4	3	4	4	72	149
15	4	4	4	4	4	3	4	4	4	4	4	4	4	4	4	3	4	4	70	147
16	5	5	5	4	5	1	5	5	3	2	4	5	5	5	5	5	5	5	79	166
17	4	4	4	4	4	3	4	4	3	4	4	3	4	4	4	3	4	3	67	144
18	4	2	5	4	2	4	3	3	4	2	4	4	4	4	2	4	4	2	61	120
19	4	4	4	2	3	3	3	2	2	2	2	2	2	2	2	2	2	2	45	122

TABLE APPENDIX C-3

Responses and Scores from the South Carolina, Tennessee, and Virginia Samples After Pretest Elimination of Undifferentiating Statements

	Subsection I														Subsection II								
	2	3	4	6	7	8	10	11	13	14	15	19	20	Total	1	2	3	4	5	6	7	8	Total
S.Carolina																							
1	4	4	1	3	5	4	5	2	3	4	5	3	5	38	4	3	5	2	3	2	4	3	26
2	2	4	2	5	5	5	4	2	2	4	2	4	4	45	4	4	4	5	5	5	4	4	35
3	4	4	2	5	4	4	4	4	4	4	4	4	4	51	1	4	4	4	4	3	3	4	27
Tennessee																							
1	4	4	3	4	2	2	5	4	2	3	2	2	4	41	4	5	1	4	3	4	3	5	29
2	2	2	5	3	3	3	3	3	4	3	4	1	4	40	5	4	2	3	3	2	2	2	23
3	4	3	4	4	5	5	4	2	3	2	4	4	4	48	4	4	2	4	4	4	4	4	30
Virginia																							
1	4	4	4	4	4	4	5	4	2	4	1	4	4	48	5	3	2	4	4	2	3	5	28
2	4	3	2	5	4	3	2	4	3	2	2	3	4	37	2	5	3	4	2	2	4	4	26
3	2	4	3	4	4	4	4	4	4	2	4	4	4	47	2	2	2	3	4	3	2	2	20
4	4	4	1	4	4	4	4	4	4	4	3	4	4	48	3	4	5	4	4	4	3	3	30
5	2	5	2	5	5	4	3	2	2	4	5	4	4	47	2	3	4	5	5	4	4	1	28
6	3	4	3	2	4	3	3	4	4	3	2	2	2	39	2	4	4	4	4	2	2	3	25
7	4	4	4	4	4	4	4	4	3	4	2	4	2	47	4	4	4	3	4	4	4	3	30
8	5	4	2	4	5	5	5	4	5	5	5	3	5	57	2	4	2	2	3	2	2	2	19
9	1	2	4	2	4	4	4	4	2	4	2	3	2	38	4	5	1	3	4	5	3	4	29
10	5	3	2	3	3	3	4	3	3	3	3	3	3	39	4	4	3	2	2	4	3	3	25
11	4	2	4	2	5	5	4	5	3	5	4	2	4	49	2	4	5	5	4	2	4	2	28
12	2	5	1	3	5	5	5	5	5	5	5	4	5	55	2	4	4	3	3	5	4	5	30
13	4	4	2	5	4	4	4	2	5	4	4	4	4	50	2	4	2	4	4	4	4	4	28
14	4	4	3	2	4	4	4	2	3	4	4	4	4	46	4	4	4	4	4	5	2	4	31
15	2	4	2	2	3	3	3	4	3	3	4	2	4	39	2	4	3	3	4	3	3	3	25
16	4	2	2	1	1	1	4	5	5	4	2	2	4	37	2	4	1	2	2	4	4	2	21

Table Appendix C-3 continued

	Subsection III																			
	1	3	4	6	7	8	9	10	11	12	13	15	17	18	19	20	21	22	Total	Master Total
S.Carolina																				
1	4	4	4	2	4	5	4	4	3	4	4	4	4	4	4	3	4	4	69	135
2	4	4	4	2	5	2	4	4	4	4	4	2	2	2	2	2	2	2	55	135
3	4	4	4	4	4	4	4	5	4	4	4	4	5	4	4	4	4	4	74	152
Tennessee																				
1	4	3	4	2	2	2	2	5	2	2	4	3	3	4	4	4	4	3	57	127
2	2	2	4	3	4	2	3	5	2	2	2	4	3	3	3	3	2	2	51	114
3	4	4	4	4	4	4	4	4	4	3	4	2	2	4	3	3	3	3	63	141
Virginia																				
1	4	5	4	3	3	3	4	3	4	4	2	3	2	3	3	3	3	3	59	135
2	4	2	3	3	3	1	2	3	2	3	2	2	1	3	1	1	2	2	40	103
3	4	2	4	4	2	4	4	4	4	4	4	4	4	4	4	3	4	4	67	134
4	4	4	4	1	1	3	3	5	4	2	4	4	3	4	4	4	4	4	62	140
5	4	3	3	4	2	2	4	4	4	3	4	3	4	3	3	2	3	3	58	133
6	4	4	3	2	2	3	3	4	2	3	3	3	2	3	4	3	4	3	55	119
7	4	4	3	3	3	3	3	3	3	3	4	4	3	4	3	3	3	3	59	136
8	4	4	4	3	3	4	4	4	3	3	4	4	4	4	4	4	4	4	63	139
9	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	54	121
10	4	1	3	4	3	3	3	4	2	3	4	2	3	4	3	1	3	2	52	116
11	4	2	4	5	1	4	2	1	2	4	4	4	4	4	3	4	4	4	60	137
12	5	1	4	3	3	4	4	4	4	4	4	4	4	4	4	4	4	4	68	153
13	4	5	2	2	4	2	4	4	3	2	4	4	2	3	4	2	2	2	55	133
14	5	4	4	4	4	4	4	4	4	4	4	4	5	4	5	4	4	5	76	153
15	4	3	4	4	3	2	3	4	3	3	4	3	3	3	3	3	3	3	58	122
16	2	2	4	3	2	2	2	4	2	2	2	3	2	2	2	2	2	2	42	100

BIOGRAPHY

Donald R. Wire

Donald R. Wire was born in Danville, Illinois, July 16, 1940. He graduated from Danville High School in 1958 and the same year entered Purdue University as a chemistry and mathematics majors. He transferred to Southern Illinois University in 1961 to major in political science and philosophy and graduated with a B.A. degree and an M.A. degree in political science in 1964. He began doctoral studies in political science in 1964 at the University of Kentucky where he was a graduate assistant, 1964-1965.

The writer left the University of Kentucky in 1965 after he was appointed Instructor in Politics at North Carolina State University. During his career at the University, he was active in North Carolina politics as a consultant and pollster. After leaving the University in 1971 he published articles based on his congressional campaign experiences. Between 1971 and 1973, he held the position of junior high school teacher and part-time history instructor at Fayetteville Technical Institute.

In 1973 the writer was appointed to the position of Dean of LaFayette College in Fayetteville, North Carolina after serving there for a brief period as an instructor. After leaving LaFayette College, he assumed the position of Director of Institutional Research at Durham College in 1977. The writer was subsequently appointed as Academic Dean of Durham College in 1978.